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Monday, September 4, 1972
Bhadra 13, 1894 (Saka)

LOK SABHA DEBATES

Fifth Session
(Fifth Lok Sabha)

LOK SABHA SECRETARIAT

NEW DELHI

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CONTENTS

No. 25—Monday, September 4, 1972/Bhadra 13, 1894 (Saka)

	Columns
Miscellaneous Matters raised by Members—	1—15
Re: Question of Privilege	2
Re: Floods in West Bengal	15—16
Re: Arrest and Detention of Member (*Shri Ishwar Chaudhry*) ..	16—17
Re: Publication of Malaviya Committee Report	17—21
Papers Laid on the Table	21—22
Messages from Rajya Sabha	22
Assent to Bill	22
Statement *Re*. Asians in Uganda—	
Shri Swaran Singh	23—36
Statements by Member *Re*. Purchase of shares of Balmer Lawrie and Co.	37—49
Shri Shyamnandan Mishra	37—39
Shri H. R. Gokhale	40—43
Motion *Re*. Final Report of Direct Taxes Enquiry Committee ..	49—95
Shri Surendra Mohanty	49—55
Prof. Madhu Dandavate	56—60
Shri K. R. Ganesh	60—82
Shri Jyotirmoy Bosu	83—95
Discussion *Re*. Working of Food Corporation of India	96—162
Shri Piloo Mody	96—104
Shri Shyam Sunder Mohapatra	104—09
Shri Jyotirmoy Bosu	109—14
Shri Darbara Singh	114—17
Shri Jharkhande Rai	117—22
Shri R. N. Sharma	122—26
Shri Shahnawaz Khan	126—31
Shri Sezhiyan	131—35
Shri Sadhu Ram	135—38
Shri Jagannathrao Joshi	138—44
Shri P. M. Mehta	144—46
Shri Samar Guha	146—50
Shri F. A. Ahmed	150—58

LOK SABHA

Monday, September 4, 1972/Bhadra 13, 1894 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR SPEAKER *in the Chair*]

MISCELLANEOUS MATTERS RAISED BY MEMBERS

SHRI JYOTIRMOY BOSU (Diamond Harbour) Sir I gave some notices with regard to the take-over of Shaw Wallace it is a very scandalous thing because millions of rupees of black foreign exchange amassed in Switzerland, Tangiers and Hong Kong by R P Goenka and K P Goenka group is being utilised to take over Shaw Wallace which is a good company I have given you notice I have got some materials Today is the last day We may not be able to say anything for the next two months

MR SPEAKER Unless I call you, do not get up For the last three days all the time you are telling me this is the last day and so you should be allowed to say something This is the third last day Everything that was allowed on the first day will come up I think that you should be satisfied with that On that day you came up with something again on the second last day and then this is the third last day After all there should be some limit to these things

SHRI JYOTIRMOY BOSU I have written to you and given notice to you seeking your permission on a matter which is vitally important

MR SPEAKER You do not care to get my permission yet you do not know whether I have given it or not,

SHRI JYOTIRMOY BOSU I wait for your permission now

MR SPEAKER Should I treat this also as the last day?

SHRI DINEN BHATTACHARYA (Serampore) Yes, Sir, thanks to Mr Raj Bahadur First, second and then the fourth

THE MINISTER OF PARLIAMENTARY AFFAIRS SHIPPING AND TRANSPORT (SHRI RAJ BAHADUR) Thanks to you not to me

MR SPEAKER There are many matters which are strictly State subjects

11 04 hrs

Re QUESTION OF PRIVILEGE

SHRI JYOTIRMOY BOSU (Diamond Harbour) Let us take up the privilege issue involving Mr A K Shah

MR SPEAKER I have decided to send it to the Privileges Committee

SHRI JYOTIRMOY BOSU Shall I quote the relevant part of May's Parliamentary Practice?

MR SPEAKER You quote it when I do not agree As you said, there are three parts of that privilege motion One was under prosecution Previously I had decided to refer only two but now I think they could not be separated from each other and I had referred the whole matter to the Privileges Committee—all the three parts Kmdly do not thump the tables That annoys certain people here Now, what am I to do about those matters which are purely State matters?

SHRI JYOTIRMOY BOSU, As for example?

11.05 hrs.

MISCELLANEOUS MATTERS RAISED BY MEMBERS—contd.

MR. SPEAKER: Mr. Kathamuthu.

SHRI M. KATHAMUTHU (Nagapattinam): Sir, I would like to raise a matter of serious public importance. In my constituency, students of an arts college have been demanding the opening of a train halt. But the railway authorities have not taken any action for the last two years. Because of that, a serious situation developed on the 25th of last month and there were clashes between railway workers and students, resulting in injuries to 45 students and railway workers. Subsequently arrests are going on. There is strike by railway workers in Tanjore and in the branch lines. Even in the main line, trains have to be diverted through other routes. Because of the inordinate delay on the part of the railway authorities, a serious situation has developed and I request the Railway Minister through you to open a train halt at Kidrangondan between Thiruvarur and Adiakkamangalam in the Southern Railway.

SHRI S. M. BANERJEE (Kanpur): Myself, Shri Dandavate and those concerned with labour matters, including Mr. Kulkarni and Mr. Stephen on the Congress side, have been raising the question of increasing the minimum bonus from 4 to 8.33 per cent. During the earlier discussion, Mr. Khadilkar told us that he is awaiting the interim report of the Madan Committee—the Bonus Review Committee. I am sure you have read the newspapers today, Sir, where it is said:

> "No accord on minimum bonus—The bonus review committee concluded its meeting today with no unanimity among the members on the quantum of minimum bonus to be recommended in the interim report with regard to concerns making no Profits. Mr. Madan, Chairman, told waiting newsmen that the report will be submitted on the 11th".

The workers' representatives on the committee belonging to the various trade union organisations like the AITUC, INTUC and HMS are one that the minimum bonus should be raised from 4 to 8.33 per cent. They are also in favour of expanding the scope of this committee to include public undertakings and Central Government departments like Defence, Railways and P. & T. It is most unfortunate that Government has not yet made up its mind on this issue. A delegation on behalf of the AITUC would have already met the Prime Minister at 10 A.M. today. After the strike by more than 1 lakh textile workers in Bombay, a wave of strikes will follow. Sir, today is the last day of the session and I request the Labour Minister through you or the Prime Minister to make a statement that the increase in minimum bonus will be implemented by Government without awaiting the report of the bonus review committee.

Secondly, it is known to the entire country that the figure of the cost of living index has not only reached but crossed 238 and is now 240. So, the Central Government employees who are seething with discontent should be paid interim relief without waiting for the reply of the Pay Commission. Fortunately, Shri Ganesh is here and I hope he will take the necessary step. Sir, I would request you to ask the Ministers to make a statement on these two points.

SHRI VAYALAR RAVI (Chirayinkil): Imparting education is a profitable trade in Kerala. Some of the educational institutions were charging from Rs. 2,500 to Rs. 5,000 for admission to classes starting from pre-degree to M.Sc. When the students protested against it and the Government decided to take over all educational institutions the managements decided to close down their institutions pending a settlement. Negotiations went on for quite some time. they came to Delhi and got certain categorical assurances from the Prime Minister and then they returned to Kerala and opened their institutions. Now they are insisting that students wanting admission should produce a letter from

the priest of the church. Because of the insistence on this letter from the priest of the catolice church for admission, the students seeking admission in such institution are put to a lot of difficulties. I would request the Minister to make a statement on this.

SHRI DINEN BHATTACHARYA: I would repeat what Shri Banerjee said about bonus It is now clear that there can be no question of unanimity in their reviewing committee and they are trying to water down the whole issue. Government is committed to a minimum bonus of 8.33 per cent Now they are trying to discrimmate between those concerns which are making profits and those which are not making profits and between those which are directly connected with production and which are not directly connected with production like railways, posts and telegraphs etc. Today being the last day of the session, we will not get an opportunity to raise it again. In the eastern region the movement or agitation for bonus has already started. All the trade unions, irrespective of party affiliations, are united in making this demand that irrespective of whether there is profit or not whether an industry is directly connected with production or not, the employees should get a minimum bonus of 8 33 per cent. So, I would request you to ask the Minister to make a statement. Otherwise, what is the use of wasting the time of the House in raising this issue?

Secondly, the cost of living index has reached 240. Therefore, Shri Ganesh should be bold enough to make an announcement here and now that Government will give increased dearness allowance to their employees.

SHRI B S BHAURA (Bhatinda): I want to raise a point about the continuous strike in the Engineering College, Chandigarh for more than 10 days. It is reported in the press also that the students have been ordered to vacate the hostels. The repressive measures are being used against the students who are on strike for their just demands. Chandigarh being a Union Territory, I would request the Central Government to intervene in the matter. I would request the Minister to make a statement.

My second point is, as you are aware, Sir, that the Punjab branch of the C. P. I. has levelled serious charges against the former I.G. of Police who is now the I.G., B.S.F. Serious charges of corruption, nepotism and misuse of power while in office by former I.G. of Police have been levelled. I would request the Central Government to institute a high-power inquiry against this gentleman. Serious charges have been levelled and the matter should have been given to the C.B.I. I would request the Central Government to order an inquiry against this gentleman.

MR. SPEAKER: Shri Samar Guha, Kindly confine yourself to one subject It is difficult to allow to many points to be raised. In future, I am not going to allow more than one point He has raised the matter of Uganda; Asians; about the Food Ministry, the Hippies and all that.

SHRI SAMAR GUHA (Contai): I had only asked the Minister to make a statement. I want to know when the Minister will make a statement. I also asked about the statement to be made in regard to passport and visa system that has been introduced between Bangladesh and India. The Government has not made any statement about it. The House has not been informed about it.

Then, Sir, you must have seen the statement today that most of the Hippies are being expelled from South East Asia The Hippies have become a nuisance. I want to know from the Government whether they are allowing the Hippies from South East Asia to India and corrupt the minds of our youth.

MR. SPEAKER: Shri Jyotirmoy Bosu:

SHRI A. P. SHARMA (Buxar): I have to mention only one subject ....

MR SPEAKER: Please don't get impatient. They gave their intimation in time, much advance of the

[Mr. SPEAKER]

time fixed. You have just sent it and you want to lead them all in the queue. I am not going to allow those who have sent chits to me while I am sitting here. I am only allowing those which came in time.

PROF. MADHU DANDAVATE (Rajapur): Sir, I have given a Calling Attention Notice . . ..

MR. SPEAKER: No Calling Attentions are to be referred in the House. Kindly don't do it; don't do it every day.

SHRI A. P. SHARMA: No intimation has been given to us earlier to give such kind of intimation. . . .

MR. SPEAKER: Don't take advantage of your ignorance.

SHRI A. P. SHARMA: I plead my ignorance. . . .

MR. SPEAKER: The other day also, you gave this explanation that you were ignorant. I thought during this interval, you must have tried to remove this ignorance.

SHRI A. P. SHARMA: The subject is so important that on 7th September, all the Central Government employees are going. . . .

MR. SPEAKER: It will not go on record; I have not called him

SHRI A. P. SHARMA:**

MR. SPEAKER: I have called Mr. Jyotirmoy Bosu.

डा० लक्ष्मीनारायण पांडेय (मन्दसौर) : अध्यक्ष महोदय, मेरा पौइंट आफ आर्डर है । लोक सभा को माननीय सदस्य श्री ईश्वर चौधरी के सम्बन्ध में एक जानकारी . . .

अध्यक्ष महोदय : जब मैं बुलाउंगा तब यह विषय आयेगा, अभी तो नहीं आयेगा ।

डा० लक्ष्मीनारायण पांडेय : लोक सभा को गलत जानकारी दी गयी, यह मैं बताना चाहता हूं ।

MR. SPEAKER: That is already before me. Unless I call you, you should not get up. Please sit down.

SHRI JYOTIRMOY BOSU: We have been discussing about R. P. Goenka Group and the take over of Balmer Lawrie & Company by Government. This R. P. Goenka Group has been involved in serious economic offences. It has come out that they have managed to strike a deal with regard to take-over of Shaw Wallace & Co. by paying through their London counterpart, Dunken Goodricks & Co. to R. P. Shah in black foreign exchange money accumulated in Switzerland, Tangiers and Hong Kong. Government has a lot of stake in that. Government has shares in Shaw Wallace to the extent of Rs. 17½ lakhs. They have made a profit of 27.5 per cent in the last year and the entire preferential is owned by Government. The most dangerous thing today—we shall discuss this again in the debate on Wanchoo Committee Report —is the black money that goes out of this country in the shape of foreign exchange at a premium; it is accumulated in Swiss banks under a code number; they give you an over draft in white money and with that while foreign exchange this Goenka Group has acquired Shaw Wallace through Dunken Goodricks and R. P. Shah at London This is a very serious matter. It is another serious economic offence being committed. If, Government could take over the companies which have liabilities, which are sinking Companies why do they not take over the companies which are really profitable and which are really assets? I ask the Government to intervene immediately in the matter of Shaw Wallace & Company and take it over at once if they really want to mean business.

Secondly, I want to draw your attention and also the attention of the House to an editorial written in the *Indian Express* today. This is a serious matter. It should concern every member of the House. It is said:

> "The ham-handed tactics resorted to by some of the clowns who masquerade as the Government's spokesmen in the Lok Sabha strains one's cre-

** Not recorded.

dibility in the capacity of small men to exercise their small minds".

It should concern you the most, Sir. This is a front-page editorial written by a well known journalist of the country, Mr. Frank Moraes I do not agree with him on many things, but when he has pointed out something which concerns Lok Sabha, I most humbly request you, Sir, to ask the hon Prime Minister to make a statement on the editorial which has come in the front page of the *Indian Express* About Shaw Wallace would you be so kind to ask the Minister of Company Affairs to make a statement before the House adjourns to-day as to what they propose to do?

SHRI PILOO MODY (Godhra): In the discussion on the Wanchoo Committee report

SHRI RAJ BAHADUR: My friend, Mr Jyotirmoy Bosu has referred to a certain editorial in a newspaper. . . .

SHRI JYOTIRMOY BOSU: They called you as clowns.

SHRI RAJ BAHADUR: I would say that while we, on this side, tried to provide all the necessary time for debates and discussions in the House, you might know, Sir, in this session we had to adjourn on two days on account of the sad demise of two members Hence, the pressure at the end of the session Apart from that, we have never said that we do not owe a responsibility to the House to maintain the quorum At the same time, when they are also anxious to have a debate—they are as many—160 members on their side—let it not be forgotten by them that if they are serious enough, about a discussion they should also have co-operated with us . (*Interruptions*). If you are interested in a particular matter, it should be brought out clearly .(*Interruptions*)

SHRI PILOO MODY: Mr Raj Bahadur, Why are you permitting this controversy?

SHRI RAJ BAHADUR: There must be a balanced view taken and an objective view taken, not a partisan view. We have, got great respect for the editor who put out that editorial. But, we cannot say that that editorial is not partisan or that it is balanced, fair or objective.

SHRI JYOTIRMOY BOSU: They called you clowns.

SHRI PILOO MODY: I do not know why you have allowed him to raise this controversial issue. He is talking about Duncan Bros. and other things

MR. SPEAKER: He referred to it.

SHRI JYOTIRMOY BOSU: You read this. May I lay it on the Table?

MR. SPEAKER: No It need not be laid

SHRI PILOO MODY: This being the last day of session, won't you take a more generous view and allow me to say a couple of words? I would not take more than a minute.

MR SPEAKER: Couple of words about what?

SHRI PILOO MODY: About the disturbed situation in Jaipur.

MR SPEAKER: I am coming to that later on But something he has brought in between . . . (*Interruptions*)

SHRI JYOTIRMOY BOSU: Have you read this editorial?

As custodian of the Lok Sabha. . .

MR SPEAKER: I do not cherish it much because quorums do fail in the House sometimes and sometimes there is a lot of noise in the House from one side or the other. But I must say that we should not give any chance for such comments in future. It is not only a duty of all of us to maintain quorum and also to see that the debate goes on smoothly on the items that are there on the agenda But the language in which this is mentioned has not been very pleasing to me . . . (*Interruptions*).

Mishraji, luckily he has thrown all the burden on the Treasury Benches He forgot that you also owe some duty to the House. The Opposition also owe a duty to maintain certain strength in the House. Now, the main objection was from your side . . .

SEVERAL HON. MEMBERS *rose.*

MR. SPEAKER: One at a time please.

SHRI PILOO MODY: I strongly object that this incident be reduced to a question of quorum alone. It is not an incident connected with only quorum. There are great many overtones and by allowing this sort of debate and trying to restrict it to the issue of quorum, I think, is doing more damage to the incident and I plead with Mr. Raj Bahadur, 'Do not reduce it to a matter of quorum alone'. Let the debate on the substantial issues go on. If you like let it go on behind the doors, but, let us not reduce this thing to a mockery and say that it is all because of quorum.

MR. SPEAKER: Both sides have a duty to see that the quorum is maintained.

SHRI RAJ BAHADUR: So far as the issues to which Mr. Piloo Mody is referring, the Government is equally anxious to state its position both with regard to the Food Corporation of India and the Direct Taxes Enquiry Committee Report and the insinuations in this particular paper . . . (*Interruptions*) is rather mischievous.

MR. SPEAKER: After the whole matter was settled there and you extended the session for one day more, these should not have been brought into the House—these comments—by Mr. Jyotirmoy Bosu. But once you have brought it, I cannot but bring it to your notice that irrespective of this side or that side, kindly see that it is the duty of the House to keep the quorum.

We should see that the debate goes on without disturbance To reduce the strength of the quorum is not a good tactics I must say this. But at the same time we should not invite unfair comments on it and then be very proud of it.

MR. JYOTIRMOY BOSU: We are not proud.

MR. SPEAKER: I feel very sad at it.

SHRI JYOTIRMOY BOSU: I am feeling very sad.

MR. SPEAKER: We all feel very sad.

SHRI SHYAMNANDAN MISHRA (Begusarai): Would you consider evenly distributing strictures and wise words between ruling party and opposition? Many a time we have found that we have been subject to more strictures than the ruling party. The other day you said, minority obstructs the majority which is not so kind to some of us.

MR. SPEAKER: When I say something to them I have a right to say something to you also and to invite your attention to certain things. I also feel that when that matter was settled the other day it would be quite improper for Mr. Bosu again to introduce this matter It was settled already. All of us in a good spirit finished the matter. It should not have been brought up today.

MR. JYOTIRMOY BOSU: On a point of order, arising out of what you have just now said. The strength of the House is 2:1 as between the ruling party and the opposition. That means 35 and 18 On that day we had 28. I must say that Mr. Frank Moraes has done a particular service to this House and to the country in what he has written.

MR. SPEAKER: We may run short of quorum a number of times; we may be lacking here and there. You accuse each other a number of times; I also participate; I also give my comments; but when the comments come from outside, I have not been able to appreciate them.

SHRI B. P. MAURYA (Hapur): That is not desirable.

SHRI PILOO MODY: May I make a submission on this issue? I do not think that the Lok Sabha should be touchy about what people write about them

MR. SPEAKER: They are not . . .

SHRI PILOO MODY: It is not material who made that comment, Mr. Frank Moraes or somebody else, but what is material: is that the Press should write and should have the right to comment as it sees fit on

anything that we do in this House, and I think, the entire matter is something that we should heed in order to improve ourselves. We should not try to pass strictures against somebody who sees us in a bad light

MR SPEAKER At times, Mr. Piloo Mody, we see a lot in the Press They do not spare any one of us We have all respect for them Sometimes the comments are a little harsher, sometimes they are balanced, sometimes they are pleasant My view is this, so far as observation on these procedures are concerned It is a different matter what they write about debate There may be some procedural lacuna or some other difficulty may arise in the House, and on that also we see this The rules do not provide for anything and everything They should not give such loud stretch of imagination and use some harsh words about one side That is all that I would say I had made a request to him that when the Government had rectified it and everything had been settled, there was no need for further comments by Shri Jyotirmoy Bosu, and I hope that he agrees to my request

SHRI JYOTIRMOY BOSU I shall agree to your request, but now I become entitled to make a further submission What did it reveal? It revealed—I have already written to you about this—the ruling party's loss of confidence in the Government itself

MR SPEAKER I have to tell Shri Shyamnandan Mishra that it was the duty of the Opposition side also to see that the numbers were kept

SHRI K S CHAVDA (Patan) At that time, our number was 28

MR SPEAKER I cannot suppress my feeling over this that when the Opposition had a strength of 160, at least 50 could have remained present on their side

SHRI P K DEO (Kalahandi) We have only one-third responsibility

SHRI JYOTIRMOY BOSU We were 28, although the ratio is only 2:1.

11 37 hrs

RE ARREST AND DETENTION OF MEMBER

MR SPEAKER Shri Ishwar Chaudhry had seen me in my room He says that the Superintendent of the Patna jail had sent some wrong information I am sending it for verification and as soon as it comes, I shall take action on it

डा० लक्ष्मीनारायण पांडेय (मदसौर) अध्यक्ष महोदय, मैं कुछ कहना चाहूंगा ।

MR SPEAKER He has already seen me in that connection

आप इस वक्त कुछ न कहें ।

डा० लक्ष्मीनारायण पांडेय : अध्यक्ष महोदय लोक सभा में इस सम्बन्ध में जो पत्र मिले हैं उन्हीं से यह बात कान्ट्राडिक्ट हो जाती है ।

MR SPEAKFR Unless I allow it, how can he raise it? I am going to verify it

डा० लक्ष्मीनारायण पांडेय : अध्यक्ष महोदय, 16 अगस्त के बुलेटिन में दिये गये पत्र में कहा गया है "तदानुसार, श्री ईश्वर चौधरी, सदस्य, लोकसभा, को 10 अगस्त, 1972 को 15 15 बजे गिरफ्तार किया गया और 1,000 रुपये के बंध पत्र के अभाव में 24 अगस्त, 1972 तक केन्द्रीय कारावास, पटना, में रखा गया ।" लेकिन 2 सितम्बर के बुलेटिन में दिये गये पत्र में कहा गया है, "मुझे आप को सूचित करना है कि श्री ईश्वर चौधरी, सदस्य, लोक सभा, को 28 अगस्त 1972 को व्यक्तिगत जमानती मुचलके पर रिहा किया गया ।"

पहले पत्र में कहा गया कि माननीय सदस्य को 24 अगस्त तक जेल में रखा गया और दूसरे पत्र में कहा गया कि उन को 28 अगस्त को रिहा किया गया । प्रश्न यह है कि यह चार दिन का अन्तर कैसे हो गया ।

MR SPEAKER I do not know on whose intimation the superintendent gave this information.

डा० लक्ष्मीनारायण पांडेय : अध्यक्ष महोदय, इन तथ्यों को देखते हुए हमें विशेषाधिकार का प्रश्न उठाने दिया जाये ।

MR. SPEAKER: Let me verify it. The hon. Member gave it to me at 10.59 a.m. How can I see it? How can I allow it? It is very wrong. Normally, this should have come after 24 hours. The hon. Member did not give me any time to see it.

श्री ईश्वर चौधरी (गया) : अध्यक्ष महोदय मुझे माननीय सचिव, लोक सभा, द्वारा एक पत्र, मिला है । उस मे लिखा है कि श्री ईश्वर चौधरी को व्यक्तिगत जमानत पर रिहा किया जाता है और सुपरिन्टेंडेंट, बांकीपुर जेल, पटना में रिहा किया है ।

MR. SPEAKER: I had received this only at 10.59 a.m. Let the hon. Member kindly sit down now.

श्री ईश्वर चौधरी : अध्यक्ष महोदय, मैंने 10 अगस्त को शिमला समझौते के विरुद्ध और बिहार को सूखाग्रस्त क्षेत्र घोषित करने की पवित्र मांगों को ले कर सत्याग्रह किया था। बिहार की निकम्मी सरकार ने मुझे 10 अगस्त से 28 अगस्त तक जेल में रखा । 28 अगस्त को 10.15 बजे रात को मुझे कहा गया कि आप को रिहा किया जाता है । यहां पर कहा जाता है कि मुझे व्यक्तिगत जमानत पर रिहा किया गया । मुझ से व्यक्तिगत जमानत की मांग नही की गई, मुझे न किसी मजिस्ट्रेट के सामने पेश किया गया और न किसी बेल बांड पर मेरे दस्तख़त लिये गये । इस बात से मेरे व्यक्तिगत सम्मान को आघात पहुचा है । इसलिए आप मुझे विशेषाधिकार का मामला उठाने दें ।

अध्यक्ष महोदय, माननीय सदस्य बैठ जायें ।

11.39 hrs.

RE: FLOODS IN WEST BENGAL

MR. SPEAKER: Now Shri Manoranjan Hazra. . . . .

SHRI B. N. REDDY (Niryalguda): I want to make a submission in regard to the drought in Andhra Pradesh. . . .

MR. SPEAKER: I have called Shri Manoranjan Hazra.

SHRI MANORANJAN HAZRA (Arambagh): I beg to submit that after having been hurt by the unprecedented drought, the entire State of West Bengal has been affected with serious floods at present especially the Lower Damodran basin, that is, from the south west of the Burdwan district to the shore of the sea, that is, the districts of Howrah and Midnapur with Arambagh sub-division of Hooghly have been badly affected. I would request the hon. Minister to take note of it. As you know, Sir, the Government of West Bengal could not prove themselves to be worthy and competent to cope with the situation.

Therefore, Central aid and help should be sent immediately to rescue the flood-stricken people of West Bengal. I request you to convey this to the hon Minister.

11.40 hrs.

RE: ARREST AND DETENTION OF MEMBER—*contd.*

MR. SPEAKER: Shri Ishwar Chaudhry. He has given two or three communications.

श्री ईश्वर चौधरी (गया) : अध्यक्ष महोदय, गया सेंट्रल जेल बिहार में 2-9-72 को कैदियों पर गोली चली है जिस से कैदी मारे गए हैं और 55 कैदी घायल हुए हैं जिन में 7 की स्थिति अति गंभीर है। मैं जेल से आया हूं । मुझे वहां की स्थिति का अनुभव है । सारे बिहार की जेलों की स्थिति बहुत खराब है ।

MR. SPEAKER: It is a State matter. It cannot come within the cognisance of the Central Minister.

श्री ईश्वर चौधरी : गया सेंट्रल जेल में 13 सौ की जगह पर 2,300 से भी अधिक कैदी रखे गए हैं । इन का खाने का अन्न सारा चोर-बाजारी में सरकारी अफसरों द्वारा जा रहा है, इनके कपड़े जा रहे हैं । वहां इन के लिए न पानी का इंतजाम है न पाखाने का इंतजाम है । स्थिति

अत्यंत गंभीर है। बहुत से तो मार दिए गए हैं। अभी कुछ दिन पहले एक कैदी को गला घोंट कर जान से मार दिया गया लेकिन वहा के अधिकारी और डाक्टर कहते हैं कि बीमारी से मरा है। इस रवैये को लेकर बिहार की और जेलों मे बहुत गंभीर स्थिति हो गई है। सरकारी अफसरान कैदियो को देखना नही चाहते हैं। मैं चाहूंगा कि इन कैदियो का सरक्षण किया जाय और गृह मत्री तथा बिहार सरकार इस पर तत्काल ध्यान दे।

अध्यक्ष महोदय : जिस बात पर सेंट्रल गवर्नमेंट के मिनिस्टर का कोई हक ही नही है, वह आप ला रहे हैं। इस मे वह क्या कर सकते हैं?

11.42 hrs.

RE: PUBLICATION OF THE MALAVIYA COMMITTEE REPORT

SHRI INDRAJIT GUPTA (Alipore): Thank you for allowing me to put one question to the Minister of Petroleum and Chemicals. Although this is the last day of the session, I would like to know from the Minister why the Malaviya Committee report on the ONGC has not to this day been laid on the Table. This is a very strange procedure We were told that the PUC is considering this matter. The Public Undertakings Committee is a Committee of this House, and the fact that the Committee is considering it cannot shut out its being laid on the Table. We have not had an opportunity so far to see that report. Why has it not been laid on the Table?

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHALE): I do not remember the exact dates, because this question has come up suddenly. But the Report was submitted to the Prime Minister and to me by Shri Malaviya. It was in fact our desire that the report having been submitted, even before Government had considered it and arrived at their conclusions, should be published. But the P.U. Committee which has already given its own report earlier which was laid on the Table has given a direction. The Chairman wrote to me saying that the Report shall not be published until they consider this report and send us their comments. In fact, we did write and request the Chairman of the Committee saying that whether we liked it or not, extracts from the report were appearing in the press, some of which were very misleading, and therefore it was better that at least an authentic summary of the report should be allowed to be published. It was only when that permission was given by the Chairman of the PUC that an authentic summary of the report was published But even there, the Chairman had said that we should not publish the report until their comments are received after they had considered the report. It is only with a view not to violate the mandate of the Public Undertakings Committee that the report has not been published.

SHRI INDRAJIT GUPTA: I seek your ruling. What is the status of this House? The Public Undertakings Committee is a Committee set up by this House it cannot be higher than this House. The Chairman of the Committee is well within his right to ask the Ministry to let them first examine report, give their comments and so on I am not saying it should have been published, but the point is: can the hon Members of this House be denied an opportunity to study the report? Why should it not have been laid on the Table or put in the Library of the House? Why should an abbreviated summary version only have been published? Have we no right to see what is in the Report? This is extraordinary. This House cannot be put in a position subordinate to the Public Undertakings Committee With all respect, may I say that the PUC cannot be placed higher than this House (*Interruptions*). We do not want to have any arbitrary summary report of these important committees.

SHRI PILOO MODY (Godhra): The simple solution is, you request

[Shri Piloo Mody]

the Minister to place report on the Table of the House.

MR. SPEAKER: Let me see why the Public Undertakings Committee have taken up this stand. After that, we have to examine it, because, once we lay down certain ruling over it, then that will apply to all these Committees. Let me study it. (*Interruptions*). We will have to ask for the full report about it. Unless and until I have that material before me, I cannot give any final ruling.

SHRI INDRAJIT GUPTA: Before the next session?

MR. SPEAKER: Of course, it means like that.

SHRI INDRAJIT GUPTA: This point was raised earlier also, but he did not say anything. What can we do?

MR. SPEAKER: I think your comments are acceptable. To allow that this may be circulated to the Members—we will have to find some way out.

SHRI R. V. BADE (Khargone): Sir, a point of order. I want a ruling whether the Public Accounts Committee or the Public Undertakings Committee can ask anybody to keep the report from being placed on the Table of the House without your permission.

MR. SPEAKER: When they are seized of certain reports, naturally; (*Interruptions*). I will ask the Law Minister to study this point himself and then also discuss it with me. (*Interruptions*). I will discuss it with the hon. Member also.

SHRI PILOO MODY: I think such a matter normally runs into this sort of trouble, because we have adopted the practice that when reports are made, we do not publish them. Government is 'seized of it' and wants to look into it, and study the report and then decide what it will do. I do not think it is a good practice. The report is very important. It is the opinion of Mr. Malaviya. It does not commit the Government to it. It should be printed as it is. Thereafter the Government may comment favourably or otherwise on it, as indeed the PUC can. (*Interruptions*).

MR. SPEAKER: Papers laid on the Table.

SHRI INDRAJIT GUPTA: A cyclostyled copy of the report without any deletion or taking away something from it must be made available to the Members of this House by its being placed in the Library or laid on the Table of the House. Why should we deprived of that just because the Chairman of the PUC has given some direction to the Minister? (*Interruptions*). Then he comes forward with a summarised version. We do not want a summary. We want the whole report.

SHRI JYOTIRMOY BOSU (Diamond Harbour): Your good self was the Chairman of the Public Undertakings Committee; two years have passed, and yet the matter remains undecided. We are being fooled like this on very many occasions. We need your protection; the dignity of the House, the dignity of the Members and our right to have access to Government documents should be protected.

MR. SPEAKER: The point to be studied is, when the Committee is seized of certain reports—(*Interruptions*).

SHRI S. M. BANERJEE (Kanpur): The PUC is not a Commission.

MR. SPEAKER:—That will have to be studied. One cannot give any off-hand observation on it.

SHRI S. M. BANERJEE: Sir, may we understand that the Labour Minister is going to make a statement on the bonus issue today? Kindly direct the Minister. Let him say whatever he can.

SHRI PILOO MODY: Are you not going to be a little lenient, today being the last day of the session?

MR. SPEAKER: I will have to be a little more strict that it ends in time.

SHRI PILOO MODY: I did not hear you.

MR. SPEAKER: There is no question of leniency. We have already

been lenient for three days This is the fourth day of leniency'

SHRI PILOO MODY Does it stop at 10 minutes to 12? (*Interruptions*)

MR SPEAKER I have asked him to let the House know something about the position

SHRI S M BANERJEE The Labour Minister came here and he went away seeing that some other item was being discussed I would like him to make a statement today, at 5 O clock or 6 O'clock

MR SPEAKER Kindly sit down He will let me know something

SHRI JYOTIRMOY BOSU About the NIDC privilege motion which is kept pending since the last session (*Interruptions*)

MR SPEAKER Order, please

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11 49 hrs.

PAPERS LAID ON THE TABLE

SUGAR (CONTROL) AMENDMENT ORDER, 1972

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF SHER SINGH) I beg to lay on the Table a copy of the Sugar (Control) Amendment Order 1972 (Hindi and English versions) published in Notification No G S R 387(E) in Gazette of India dated the 22nd August, 1972, under sub-section (6) of section 3 of the Essential Commodities Act, 1955 [*Placed in Library See* No LT-3608/72]

ANNUAL REPORT OF CASHEW CORPORATION OF INDIA, 1970-71

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A C GEORGE) I beg to lay on the Table a copy of the Annual Report (Hindi and English versions) of the Cashew Corporation of India Limited for the year 1970-71 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon, under sub-section (1) of section 619A of the Companies Act 1956 [*Placed in Library See* No LT-3609/72]

11.49½ hrs

MESSAGES FROM RAJYA SABHA

SECRETARY Sir, I have to report the following messages received from the Secretary of Rajya Sabha —

(i) In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (No 4) Bill, 1972 which was passed by the Lok Sabha at its sitting held on the 29th August, 1972, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill"

(ii) In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 2nd September, 1972, agreed without any amendment to the General Insurance Business (Nationalisation) Bill 1972 which was passed by the Lok Sabha at its sitting held on the 28th August, 1972"

ASSENT TO BILL

SECRETARY Sir, I lay on the Table the Taxation Laws (Amendment) Bill, 1972 passed by the Houses of Parliament during the current session and assented to since a report was last made to the House on the 1st September, 1972

STATEMENT RE. ASIANS IN UGANDA

THE MINISTER OF EXTERNAL AFFAIRS (SHRI SWARAN SINGH): The Deputy Minister for External Affairs made a statement in the House on August 11 on the subject.

After President Amin's speech of 9th August announcing the expulsion of Asians of foreign citizenship within 90 days, a decree was issued on the same day cancelling entry permits and certificates of residence of all persons of Asian origin who are citizens of the UK, India, Pakistan or Bangladesh. A statutory order issued the same day listed the following categories of persons who would be exempt from these orders:

(a) Persons in the employment of Government, international organisations and para-governmental organisations.

(b) Professionals such as teachers, school owners, lawyers medical practitioners auditors, accountants, surveyors, technicians in industrial, commercial and agricultural enterprises, owners of industrial and agricultural enterprises, managers and owners of banks and insurance companies.

SHRI PILOO MODY (Godhra): What about architects?

SHRI SWARAN SINGH: I am not sure whether there are many architects of Indian origin.

We have been informed by the Uganda Government that they are now preparing lists of exempted persons who will shortly be notified.

On August 19, President Amin declared that citizens of Uganda of Asian origin would be required to quit as a second phase operation. However, on August 22 President Amin announced that citizens of Uganda of Asian origin would not come within his order of expulsion within 90 days but that citizenship documents would be carefully scrutinised.

We strengthened the staff of the High Commission in Kampala by six officials in the second week of August. Shri M. A. Rahman, Additional Secretary in the Ministry of External Affairs was deputed to Uganda from August 26 to 31. He held discussions with the Ministers of External Affairs, Home, Defence and of Finance as well as with senior members of the Foreign Office. He also met representatives of the Indian community.

There are four categories of people of Asian origin in Uganda:

(a) Ugandan citizens.

(b) British passport holders.

(c) Indian nationals and

(d) Stateless persons.

We naturally accept responsibility for Indian citizens in Uganda. I had written to Uganda's Minister for Foreign Affairs pointing out that while we recognise the Uganda Government's right to regulate their internal affairs according to their best judgment we would expect that Indian nationals who are required to leave their country are enabled to do so under conditions conforming to humane and equitable standards under international law and usage. As long as Indian nationals remain in that country, their honour and safety and the security of their property are a responsibility of the Uganda Government. We have also impressed on the Uganda Government that they should announce urgently their regulations in respect of sale of properties, realisation of assets, transfer of assets out of the country and administration of residual assets.

There are about 4,500 Indian nationals in Uganda who have notified themselves to the Indian High Commission. Of these we have collected detailed statistics regarding 3863 and information on the remainder will be completed within the next few days. As far as these persons are concerned, we have already initiated arrangements for their shipping and airlifting and for extending Customs and Import Control concessions. We are

concerned at the repatriation of their assets. We consider that the present facilities for the repatriation of cash and moveable are wholly inadequate in relation to their long residence in Uganda as well as for starting a new life. We have urged that they should be allowed to bring all their personal belongings, while the repatriation of their residual assets should be on a fair and equitable basis

As the House is aware, the United Kingdom Government have accepted full responsibility for persons of Asian origin in Uganda holding British passports We have noted with satisfaction the clear and forthright approach of the UK Government to this problem We are in touch with the UK Government and understand that arrangements for the movement of these persons into the UK are being made by them

According to present information, the scrutiny by the Uganda authorities of the documents of citizens of Asian origin is scheduled to be completed by September 10. We have in the meantime, made our stand known to the Uganda Government that stateless persons and those whose citizenship is revoked would continue to be Uganda's responsibility under international law and convention

In today's world, considerations of compassion and generosity must needs govern the spirit in which thousands of persons who have lived in that country for decades are uprooted, and are required to start afresh in new surroundings. To be compelled to leave in haste can only add to their suffering.

Many aspects of human rights and fundamental freedoms are involved To proceed on considerations of ethnic origin and discriminate against people of a particular race or region is likely to weaken the struggle against racial discrimination in other areas.

India has always responded with sympathy and humanity to those who have suffered and sought shelter here. We cannot deny it to our own kith and kin, We must stand firm in support of human rights and freedom, the dignity of man and equality of all races

SOME HON MEMBERS ROSE—

MR. SPEAKER: Every day you have to be reminded that according to the rules, no discussions or questions follow.

SHRI SHYAMNANDAN MISHRA (Begusarai): If some time is left after all the discussions are over, would it not be possible for the minister to give some clarifications with regard to this statement?

SHRI C C DESAI (Sabarkantha): We will not be meeting for another two months There are certain steps which the Government of India must take to receive these people in this country.

SHRI SWARAN SINGH: If it is convenient to you, Sir, I am prepared to answer some questions.

MR SPEAKER: I will allow two or three clarifications, but not in the form of a discussion, because this is a very important subject. But it will not be treated as a precedent because the rules are very clear and we have been observing them in letter and spirit

SHRI K D MALAVIYA (Domariaganj): It will not be treated as a precedent but a few more questions might be allowed

MR. SPEAKER: Two from this side and one from that side.

12 hrs.

SHRI C C. DESAI: Sir, we seem to have an uncanny knack for two things—receiving things without kicking back and unlimited absorption of immigrants from abroad. This we have done for centuries past. Sir, this problem should be handled humanistically and not legalistically. I am afraid the approach of the Ministry of External Affairs is likely to be legalistic. In other words they will say that those people who are Indian nationals alone would be permitted to enter this country,

SHRI C. C. DESAI:

Now these are people of Indian origin. Some of them have under our advice accepted Ugandan nationality, some of them have, under our advice, accepted British nationality. Now we are hearing of marches and morchas even in the United Kingdom. Only this morning you must have read in the papers that there were marches, what are called morchas in our country, in the United Kingdom against the entry of these people. Many of these people are homeless and penniless; they will not find it easy to settle down in the United Kingdom In other words, they will want to come back to India So, the criterion should be that every person of Indian origin, whether he is an Indian national Stateless person Ugandan national or a British passport-holder, if he is living in East Africa, must be permitted to come to this country and have the right to settle down in this country. This must be on the condition that he must be willing to accept once and for all Indian nationality. I am saying this because I was a High Commissioner once and I know that we used to advise people of Indian origin in those countries to accept the local nationality because that was the policy of the Government of India at that time. They have accepted our advice and accepted local citizenship. Therefore, it will not be right for the Government to prohibit those people of Indian origin from coming to this country.

Secondly, what is happening in Uganda today should be a matter of warning of for what would happen in the East African colonies tomorrow. We are told that the President of Tanzania is not happy with the treatment meted out to the residents of Uganda. A year ago it was the President of Tanzania—it was Zanzibar then—who was acting against Indian interests and the Indian girls were forcefully married to the Sultan of Zanzibar. This can happen in other colonies also.

Therefore, my submission is that we must allow people of Indian origin to come back and bring with them whatever they can from whichever country it may be, be it Kenya, Uganda or Tanzania. Now what is happening? If they are bringing eight sarees, two are withheld and only six sarees are given to them. The other two sarees will be exported to India, sold here and the export earnings will be remitted to Uganda. Do we want this to happen? So, our policy in regard to Indians from East Africa should be that every person of Indian origin should be allowed to come back to India with whatever they can bring without payment of customs or other duties.

Lastly, there must be a cell in Gujarat for the rehabilitation of these people. Most of them who are coming from East Africa are originally from Gujarat.

MR. SPEAKER: This is not a clarification He is entering into a debate.

SHRI C. C. DESAI: These people have to be resettled. Yet, the Ministry of Rehabilitation does not seem to be aware of this problem. They have to depute a team to Gujarat for the rehabilitation of these refugees.

SHRI K. D. MALAVIYA: I do not wish to say much, but I am sorry I do not agree with the approach of my hon. friend, Shri C. C. Desai about the unconditional manner in which he is advocating his own views that all citizens of Indian origin should be allowed to come back to India. That view is not acceptable to this House because there are many considerations which we must weigh before taking any decision on this matter. These people might have amassed wealth in a reasonable or unreasonable manner. Therefore this question should receive very serious consideration. But I agree that broadly speaking humanistic approach has to be applied to this very important question.

SHRI JYOTIRMOY BOSU (Diamond Harbour): Why is it that the Government of India had left the whole matter in the hands of career diplomats instead of tackling it at the political level? Why is it that the hon. Minister or the Deputy Minister did not visit Uganda to negotiate the matter with that government and

come to some sort of amicable settlement in this regard?

श्री जगन्नाथ राव जोशी (शाजापुर): अध्यक्ष महोदय, यह एक बहुत महत्वपूर्ण सवाल है और यह केवल यूगान्डा तक ही सीमित नहीं है। तंजानिया, केनिया तथा अफ्रीका के कई देशों में भारतीय मूल के निवासी जिन्होंने ब्रिटिश पासपोर्ट लिया हुआ है उन लोगों की भी एक बड़ी समस्या है और वह समस्या ब्रिटिश गवर्नमेंट के साथ बैठकर हमको तय करनी पड़ेगी।

दूसरे मैं यह अर्ज करना चाहता हूं कि किसी देश के मूल निवासी होते हुए दूसरे देश में बड़ी संख्या में वे बसे हुए हैं जैसे कि अफ्रीका वासी अमरीका में बसे हुए हैं और वे अमरीकी बन गए हैं तो वैसे ही किसी देश के मूल निवासी दूसरे देश में जाकर बड़ी संख्या में बसे हैं उनका स्थान और दर्जा क्या हो इसका हल अन्तर्राष्ट्रीय स्तर पर कोशिश करके निकालना चाहिए।

यूगान्डा के सम्बन्ध में मैं जानना चाहता हूं कि ऐसे लोगों के जो असेट्स हैं उनको कैसे ट्रान्सफर किया जाये यह एक बड़ी समस्या है और उसकी ओर ज्यादा ध्यान देना आवश्यक है।

SHRI INDRAJIT GUPTA (Alipore): Firstly, I want to know what is the number of Indian nationals involved. Secondly, I want to know whether it is a fact that, as Mr. C. C. Desai has said, we had advised some of these people to acquire British citizenship and become British passport-holders. Please tell us about that. This is the first time we are hearing it.

SHRI K. NARAYANA RAO (Bobilli): So far as Stateless persons are concerned, they have certain international protections. Particularly in view of the fact that many people have been sent out from Uganda without any steps being taken up, may I know from the hon. Minister whether he would take it up in an international court, like, the Human Rights Commission, to see that the conditions are restored to their normalcy?

SHRI SAMAR GUHA ROSE—

MR. SPEAKER: I am sorry. I wanted to confine it to two or three questions.

SHRI SAMAR GUHA (Contai): Sir, it is on my request made on the floor of the House that there should be a statement by the Minister concerned that he has made the statement. I have written to you about it. It is on the basis of my request that the Minister has made a statement.

MR. SPEAKER: Yes; I think, I allowed it because of your question. You could remind me in a peaceful manner.

SHRI SAMAR GUHA: I am surprised to see and fail to understand why the Government is pursuing a hush-hush or ostrich-like policy in regard to the people of Indian origin, be it the citizens of Uganda, be it the citizens of U.K., or be it Indian nationals or be it Stateless Indians there. I have mentioned these four categories. This is a serious issue. For the past two months, this has been going on. We have not had an opportunity to discuss such a serious matter . . . .

MR. SPEAKER: I did not invite a speech from you.

SHRI SAMAR GUHA: As my hon. friend, Mr. Jyotirmoy Bosu, mentioned it, it is such a serious matter that not only it involves the fate of the people of Indian origin there but it involves the future relations of the Asians with the Africans. Because, this attitude of Uganda may have a contagious effect on other States in Africa It is a serious matter. It should have been taken proper note of. The Minister of External Affairs should have gone there and, even if it required such a solution, to internationalise the whole issue so that this issue could be settled at a high level.

SHRI PILOO MODY (Godhra): It is our considered view that we should accept whoever wants to come into our country with open arms and do whatever we can to extend hospitality and make them feel at home. We have done that in respect of Bangladesh

SHRI PILOO MODY:

refugees. Why should we not do that in respect of the people of our own origin when they are put to such inconvenience in other places?

DR. H. P. SHARMA (Alwar): In 1968 the Labour Minister, Mr. Calaghan, made a categorical statement in the House of Commons that every Asian British passport holder would be allowed entry into the United Kingdom. But that right has been strictly limited because they say, they cannot accept all the people that would be coming, so that in 1972 the total number of vouchers issued is only 5,000. That difficulty is still being put forth, and a press report has come out that a substantial number of those British passport holders would come to India and would be allowed the option either to proceed to the United Kingdom or to stay in India? Would the Minister make a categorical statement regarding the position of such entrants?

SHRI R. V. SWAMINATHAN (Madurai): The hon. Minister is aware of the fact that many people who have got British passports are not going to Britain but are going to come to India. In that case, may I know from the hon. Minister, whether they would be allowed to come into India? In view of the fact that many of those people are left penniless, may I know what is the proposal of the Government to help them, if they come?

SHRI P. M. MEHTA (Bhavnagar): I would ask only one question. This is about another aspect of the problem With your permission, I would like to draw the attention of the hon. Minister and of the hon. House to this serious aspect of the problem. Some persons of Indian origin are arrested by the military personnel of the Uganda Government; they are taken to unknown places; their families do not know their whereabouts I request that this matter should be taken up with the Uganda Government, and the Government of India should try to find out their whereabouts and bring those persons back to their homeland. (*Interruptions*).

SHRI SWARAN SINGH: Sir, the suggestion made by Shri C. C. Desai is that we should announce that we are prepared to take every person of Indian origin, whether he is Ugandan citizen. British citizen or Stateless. I would request him that he should seriously consider the implications thereof. I think, this will be a very easy way for the British Government to get out of their responsibility to receive the British passport holders. The British Government have already accepted the responsibility that they will take all the persons of Asian origin who are British passport holders. This should continue and I have said, we have noted this statement with satisfaction at the same time....

SHRI H. M. PATEL rose—

SHRI SWARAN SINGH: Mr. Patel, let me finish and if there is anything left, you can ask . . .

MR. SPEAKER: Please do not interrupt him.

SHRI SWARAN SINGH: At the same time, if, at any stage, we find that there is some problem by way of giving temporary transit facilities with the ultimate responsibility taken by Britain to receive them, that is a matter which can be discussed between the two Governments. Already, the British Government and the Indian Government are in touch with each other because we have to reduce the rigour that these people are facing because of the suddenness of the decision and because of a date-line having been announced. Whereas we can take a humane view, it will not be good for us to adopt any posture which relieves Britain of their responsibility which they themselves have clearly accepted . . . (*Interruptions*).

AN HON. MEMBER: Why?

SHRI SWARAN SINGH: Because they are the British passport holders . . (*Interruptions*).

About the persons of Asian origin who are Ugandan citizens, we were greatly disturbed when the first announcement was made by the Ugandan Government that they will also

have to go. We have noted with some relief that the original blanket order now stands changed and it has been announced that they will continue to stay there.

SHRI C. C. DESAI: Do you believe that? If you are put in their position. . . .

MR. SPEAKER: Order, please. No interruption please.

SHRI SWARAN SINGH: I would suggest that we should not create conditions in which their difficulties increase. I am not sure as to whether we will not be increasing their difficulties by adopting that posture.

Then, there is the category of Stateless persons. According to international law and usage, the responsibility of the country where these persons are, remains. But, if there are any hard cases, cases of hardship, we will certainly be prepared to consider individual cases. But I would plead with the hon. Member not to press that we should declare a policy which relieves others of their responsibility.

He has made a suggestion that there should be some cell created in the Government of Gujarat. I am sure if and when the problem assumes a proportion that some special arrangements have to be made, I have no doubt that arrangements will be made. Most of these people who come will have contacts here and will have some resources and surely, whatever can be done will be done.

Mr. Jyotirmoy Bosu and one other hon. Member, I think, Mr. Samar Guha, have said as to why this matter is not handled at the political level, at the Minister's level. I would like to take this opportunity of informing the House that I did take up this matter at Georgetown with the Ugandan Minister of Foreign Affairs. He happened to be there for the Non-aligned Conference and I had a discussion with him and I made our approach to this problem clear to him. He was sympathetic. On my return from Georgetown, I again wrote to him a letter about which I have made a mention in my statement. The object of sending a senior officer, an Additional Secretary in the Ministry of External Affairs, was to find out on the spot the precise problem, the administrative arrangements and matters relating to assets, safety of their person, and safety of their property. I would like to take this opportunity of saying that this has been a useful visit and he had the opportunity of putting across our view point to four Ministers of the Ugandan Government and it is my assessment that this visit has yielded useful results. As you know, I have no hesitation to take it up at any level, and surely, if there is a necessity, I would certainly like to remain in touch with the Foreign Minister there. If not earlier, there is an opportunity of seeing him again in the United Nations General Assembly which starts about the 19th or 20th of this month.

SHRI SAMAR GUHA: Why indirectly? Why not you write to him directly?

SHRI SWARAN SINGH: Not indirectly, but directly between the two Foreign Ministers.

Once, for a change, you are asking me to undertake this. Generally, these things are criticised.

The short point is this. We are trying to tackle it both at the political level and at the administrative level. We attach highest importance to finding a satisfactory solution so that the suffering and hardship of these people may be reduced as much as possible.

A question was asked about their numbers. I would like to take this opportunity of giving these figures to the hon. Members. I have already given in my statement the number of persons who are having Indian passports. The number is 4,500. I have also said that detailed statistics regarding 3863 have already been collected and the rest of the statistics are being collected.

SHRI SWARAN SINGH:

While we have been generally advising that persons of Indian origin who are in foreign countries should try to act in such a manner that their action is in conformity with the aspirations of the local people—and that has been our general advice—I am quite clear in my mind that we had never advised them that they should take British passports or that they should accept British citizenship; we had never advised them; I am absolutely clear on that issue. The House might recall that this was a point which at that time appeared to be pursued by Mr. Duncan Sandays who was in authority there and he wanted large number of these persons to accept British citizenship. So, these persons, in their own wisdom, decided to take British passports and British citizenship. But, having said that, I will say, if there is any human problem. we should be prepared to deal with it. But we should not undertake any blanket responsibility of the type that has been urged here.

About taking up this matter in the international forum I would be quite frank and say that there are certain limitations of anything arising or coming out of it. In fact as you might have seen it has been raised in a different form by Mr. B. R. Bhagat in the context of the discussion on Human Rights. This matter will have to be settled bilaterally with the Government concerned and this is what we are hoping to achieve. Unfortunately the capacity of the United Nations to deal with matters of this nature is extremely limited. It has been demonstrated from time to time that whereas speeches might be made and some sort of atmosphere might be created they have not in the U.N. got the wherewithal or the authority or the capacity to deal with such a matter effectively and these are the limitations which we should frankly admit and then we can formulate our policy, knowing these limitations.

But that does not mean that it cannot be raised, it might be raised in some form, but the ultimate satisfactory solution of the problem, both with regard to the safety of these persons and also with regard to their properties, will have to be dealt with patiently, I should say, with the cooperation of the Government of Uganda, and this is the hard reality.

SHRI SAMAR GUHA: The forum of Afro-Asian Conference could be useful for this purpose.

SHRI SWARAN SINGH: Now. it is true, as some persons have said, that they are facing difficulties in the matter of bringing their properties, particularly movable properties. There are certain restrictions on that which have been imposed by the Government of Uganda. At the present moment, the restrictions are that the movable personal effects of the value of about 9000 shillings are allowed, plus another 1000 shillings by way of cash.

With regard to immovable property, the record is kept there and later on, some method will have to be found to repatriate later the value of the property that might be realised. We have been urging that this limit that is now imposed should be more liberalised, but I cannot say what success we shall achieve in this respect.

Shri P. M. Mehta has said that some persons have been arrested there. If he could give me the particulars, we shall be prepared to take it up with the Government of Uganda.

SHRI P. M. MEHTA: I have forwarded a list to the hon. Minister.

श्रीमति सहोदरा बाई राय (सागर) : मैं यह जानना चाहती हूं कि जो पांच छः हजार लोग भारत आ रहे हैं उनमें से जिन लोगों ने वहां की लड़कियों के साथ शादी की है वह उन को अपने साथ लायेंगे या वहीं छोड़कर आयेंगे ?

SHRI SWARAN SINGH: If I may say so, this is one of the objections that have been raised by the local Ugandan people that on the matrimonial front, Indians have been very close.

12.27 hours

STATEMENTS BY MEMBER RE. PURCHASE OF SHARES OF BALMER LAWRIE AND CO.

SHRI SHYAMNANDAN MISHRA (Begusarai): The Government's clarifications fail to remove impression of contradictions and inconsistencies in its statements on the purchase of shares of Balmer Lawrie & Co., thus reinforcing the doubts about the fairness of the transaction

For instance, I had pointed out:

> "According to Minister's statement on August 4, 1972, Duncans had offered to buy IBP's holding of Balmer Lawrie for Rs 160 a share However, on 18th August, 1972, Minister stated that the Government would not 'surrender to this attempt at depressing the share market on the part of Goenka and Duncan Brothers to see that we sold our shares to them at a very unfavourable price". These two claims are contradictory".

Now the Government says

> "If the share market had not been depressed there would have been a corresponding lesser inducement to sell Balmer Lawrie shares to Duncan Brothers at the price of Rs 160 a share at which price Duncans had offered to buy Balmer Lawrie shares from IBP"

Where was the question of inducement at all when the Government, according to the Minister's own statement, was bent on acquiring control in national interest and not selling its shares? And secondly, if the market was depressed it stands to reason that Government should have taken advantage of the low prices and bought more shares to acquire effective control over Balmer Lawrie

Granting the Government's view that it was absolutely necessary to take over the concern the complementarity of Duncans offering a high price and then depressing market to induce Government to sell, does not arise at all

The Government's clarification repeats that the price was determined by an "independent authority" It is the Ministry which is responsible to this Parliament and not any independent authority The Ministry is trying to shove off its responsibility in accepting this high price to some other authority. What is the identity of this authority and why it adopted peculiar and unique principles and criteria in this particular case? Why should the Ministry fight shy of owning up the responsibility for paying this price?

The Ministry's clarification on payment of two different prices for the same shares for two concerns, again, does not stand to either logic or reason If, as the clarification says, Alex Lawrie were so much attached to Duncan as to insist the Government should buy the shares held by both simultaneously, it is reasonable to expect Alex Lawrie also to say that Government pay the same price to both The fact that Alex Lawrie got a lesser price can conceivably be explained by one of two reasons. (1) there was some arrangement by which between Alex Lawrie and Duncan there was a sharing of the higher prices that the Duncan got or (2) the Government did not apply the same method and pressure on Duncans as they did on Alex Lawrie to get the shares at the lower of the two prices If the latter is the case, what reasons prevented the Government from applying the same pressures on Duncans as on Alex Lawrie to get the shares at Rs 85 (even which was much higher than the market price) Besides the fact of the two prices paid does not square with the Government's claim that its "independent authorities" had fixed Rs 95 as the intrinsic value If intrinsic value is Rs 95 why not the same yard stick be applied to the Alex Lawrie holdings also? Why should fairness and justice granted to one be denied to another?

Fourthly, I had pointed out·

> "Government has not answered the charge that after Goenka had wrapped the deal he manipulated the share market to raise the price to Rs 95 the moment deal was completed

Shri Shyamanandan Mishra:

> the Government should have issued an ordinance to take over the company to prevent Goenka from manipulating the share market".

The Government says that the shares were purchased at intrinsic value. It adds:

> "The question of issuing any ordinance to take over its management did not arise as eversince April, 1970, a minimum of 2 Government and/or IBP nominees were functioning as Directors on the Board of Balmer Lawrie. It is submitted that the need for issuing an Ordinance 'the moment deal was completed' could not possibly have arisen as the completion of the deal automatically resulted in the IBP taking over the control of the Balmer Lawrie Group".

When I used the word "wrapped" I meant by it that the negotiations were completed. This was done much before June 7 when the company formally passed into government possession. That earlier, in Government's own clarification, it is stated that the price of the share rose in April, May and June and then came down shows how this provided an opportunity to Duncans to manipulate the share market during the interval.

Fifthly, the Government has given the plea that since its two directors were there on the Board of Balmer Lawrie there was no need to take over immediately. But the presence of two Government nominees is not the Government's conception of taking over of a company as we understand it.

Lastly, the Government's stress on the intrinsic worth is in total contradiction to Government's policy. Government even amended the Constitution to enable it to pay as "amount" for take over of private property in contradistinction to compensation. Why then this plea of "intrinsic worth"? Is there a reversal of policy? In how many cases has the Government paid or propose to pay "intrinsic value" for property taken over in public interest?

SHRI JYOTIRMOY BOSU (Diamond Harbour): On a point of order I had written a letter to the Hon. Minister and the reply that has been given intensifies the suspicion that the deal is a shady deal. He clearly evaded giving us the profit and loss account for 1971 because the company had lost Rs. 25 lakhs. Secondly, the LIC and IBP holding a controlling interest had the preemptive right of take-over . . .

MR. SPEAKER: This is a statement under direction 115. This is not a debate. Do not take advantage of every opportunity to make an observation. The Hon. Member, Shri Shyamanandan Mishra, had certain doubts about the correctness of the statement made by the hon. Minister and he has made a statement on it, to which the hon. Minister will reply. This is between the hon. member and the hon. Minister.

But you are introducing something which is extraneous to it.

SHRI JYOTIRMOY BOSU: Rule 376. Point of order.

MR. SPEAKER: No, please.

THE MINISTER OF LAW AND JUSTICE AND PETROLEUM AND CHEMICALS (SHRI H. R. GOKHLE): I had thought that during the last half-an-hour discussion which in fact lasted an hour, all the points made by the Hon'ble Members had been adequately answered. Subsequently, my colleague Shri K. R. Ganesh, while speaking on the Supplementary Grants, has further and fully clarified the position.

On the very first point made by Hon'ble Member Shri Mishra, it is a fact that Duncans offered to buy Balmer Lawrie shares held by the IBP at Rs. 160 per share. Obviously, the larger the gap between the market quotation of a share and the price offered for their purchase, the larger would be the inducement for the holder of the shares to sell them. However, we were not deflected from our purpose by this attractive offer of Duncan Brothers. We wanted to buy these shares to strengthen the public sector. There is thus no contradiction or inconsistency in my earlier statements.

The crux of the matter really is whether the low market quotation of these shares could have been taken advantage of for gaining control over Balmer Lawrie group. Although in my earlier statement I had explained this matter in clear terms it appears that the Hon'ble Member did not fully appreciate the situation. I therefore repeat the facts. Even if it is assumed for the sake of argument that the IBP could buy all of the 28,474 shares held by some 953 shareholders, such a purchase would have still failed to provide clear control over the Balmer Lawrie group. All that IBP would have succeeded in achieving would have been the enlargement of its total holding in Balmer Lawrie from 30.1 per cent to 49.86 per cent and this would not have given it a controlling position. It is not as if the possibility of buying shares from the market at the then prevailing low prices did not occur to the IBP and the Government. This was carefully considered, but had to be rejected, first because if the IBP had entered the market to purchase these shares their prices would have undoubtedly shot up. This almost invariably happens for any shares. The moment a big buyer shows interest in enlarging his holdings of a particular company, the market quotation of its shares always goes up. It is, therefore, quite certain that IBP would have had to pay a much higher price for these shares than that at which it finally acquired control by purchasing them from Duncan Brothers and Alex Lawrie. Second, and the over-riding consideration was that by the adoption of this course, IBP would have only succeeded in increasing its investment in Balmer Lawrie without gaining even 50 per cent control. In fact it could never gain control as long as it did not purchase the shareholding from Duncan Brothers and/or Alex Lawrie. Of course, it was futile to expect that IBP would have succeeded in buying all of the 28,474 shares from the public. This should be clear from the fact that in the first six months of 1972. *i.e.* from 1st January to 30th June, 1972, only 1,019 shares of Balmer Lawrie changed hands. Despite the fact that the price from early April was Rs. 94 per share and remained at that level right upto the first few days of June 1972, very few share-holders took advantage of the increased price and only 148 shares changed hands during this period.

When earlier I had made a reference to the determination of the price by independent authorities there was no suggestion that we did not exercise any check in the matter on our part. I had said that the valuation of the shares was not done by my Ministry alone but by other agencies also independently. Only thereafter was the final view taken in the matter. Independent valuation was made by the Indian Oil Corporation, the Department of Company Affairs, the Department of Economic Affairs and by the Unit Trust of India. There was also nothing peculiar or unique in the methods and principles that were adopted in this particular case for making a valuation of the shares. The same agencies made the valuation of the IBP shares and on exactly the same principles when the Indian Oil Corporation bought the IBP shares from Steel Brothers of U.K. This procedure has been followed in several other cases too. Briefly, the valuation has been made, first, on the basis of the written-down book-value of the assets. The book-value of the assets is very much lower than their present market value. Secondly, on the basis of the market quotation of the shares, I had already stated earlier that in the valuation made in this case the higher price of Rs. 94 then obtaining was ignored and only the lower price of Rs. 68 was taken. The third factor is the value of the share calculated on the average earning capacity of the company in the last 3 years, after taking note of unusual features, if any. It is the average of these three factors that determined the price that we agreed to pay.

When I had quoted the present net worth of the assets of Balmer Lawrie, it was essentially to illustrate that by purchasing the shares at the negotiated price IBP was able to strike a good deal. There was no suggestion by me that the present net worth of the assets had been adopted for working out the price; I had made it clear that for working out the price

SHRI H. R. GOKHALE:

of the shares only the written-down book value of the assets had been accepted.

Much is again being sought to be made of the price differential at which the Balmer Lawrie shares were purchased from Duncan Brothers and from Alex Lawrie. I would like the Hon'ble Members to appreciate that we were dealing with two parties with two altogether different motivations, one was interested in gaining absolute control over the Balmer Lawrie group, while the other only wanted to disinvest. It is because of this fact that the negotiations with Alex Lawrie to bring down the price succeeded and eventually they agreed to sell their share-holding at Rs. 85 per share.

The Hon'ble Member has stated that the Government should have issued an Ordinance as soon as the deal was "wrapped", by which he means that the negotiations were completed, so that the market price of these shares could not be manipulated. It appears to me that the main point I had made had been missed. Even before the negotiations were completed, the market quotation was already Rs. 54 per share. But as I have repeatedly clarified, this increase in the market quotation was ignored and only the lower price of Rs. 68 per share was taken into account for assessing the valuation of these shares. Nothing, therefore, was to be gained by issuing an Ordinance at that stage. In any case, the objective was to acquire control on the Balmer Lawrie Company which could and was achieved by IBP acquiring the shares of Duncan Brothers & Alex Lawrie. IBP held 30 per cent shares and other private shareholders held some 19 per cent of the shares. There was no need for Government to take over these shares.

SHRI JYOTIRMOY BOSU: What about your pre-emptive rights?

SHRI SHYAMANANDAN MISHRA: None of my points, I must confess, have been met. I must also confess to a great sense of disappointment as it has all been a waste of effort. Doubts necessarily persist and we cannot resist the conclusion that this deal has not been in public interest. The mystery has further deepened and we would request you to provide for a discussion during the next session.

SHRI JYOTIRMOY BOSU: May I request you to refer this matter to the Public Accounts Committee? Let the whole thing be examined by the Public Accounts Committee.

MR. SPEAKER: You are mistaken. I cannot send the matter. He made a statement and the Minister made a statement in reply. They are before the House. There is no other procedure.

SHRI JYOTIRMOY BOSU: The whole deal is a shady deal. It is a serious matter. Money has been given away by this Government to the monopolies. Kindly send it to the Public Accounts Committee.

MR. SPEAKER: How can I send it?

SHRI SHYAMANANDAN MISHRA: Would the Minister be prepared to satisfy the public and remove the suspicion from their minds by referring it to the Public Accounts Committee?

SHRI VIKRAM MAHAJAN (Kangra): Our friends do not know the procedure. The P.A.C. can *suo motu* take notice of any action. It is not necessary for the Speaker or the Minister. You are unnecessarily creating an issue and trying to get publicity.

SHRI JYOTIRMOY BOSU: We want a probe into the matter.

SHRI H. N. MUKHERJEE (Calcutta—North East): We have heard both sides. They are in the possession of the House. After having heard the statement, many misgivings remain which warrant this request to you that this matter be referred to the Public Accounts Committee.

MR. SPEAKER: I have no power under the rules. This matter came under direction 115. Do not try to force anything on me.

SHRI SHYAMANANDAN MISHRA: We seek your protection. There is suspicion in our minds that Rs. 67

lakhs have been gifted away to a particular party, and the public exchequer has been robbed of this money.

MR. SPEAKER: Under direction 115, there is nothing else. Both the statements are before the House.

SHRI H. N. MUKERJEE: Some of us in the House feel perturbed that there are so many lacunae which are not explained. That is why we suggest that the Comptroller and Auditor General may look into it.

MR. SPEAKER: I have no power under Direction No. 115 to do it.

MR. R. S. PANDEY (Rajnandgaon): You have got the power with the consent of the House.

SHRI H. N. MUKERJEE: You may have the power under Direction No. 115 but there are so many other rules.

SHRI PILOO MODY (Godhra): I move that the matter be referred to the PAC.

MR. SPEAKER: It is not like that. You cannnot just get up and say that you move, unless I allow it.

SHRI JYOTIRMOY BOSU: If Mr. Stephen can move a privilege motion *suo motu* and it can be included in the List of Business, when it is a question of squandering away of people's money, why not allow this? We would not allow this House to function unless you safeguard the people's interest. . . .

MR. SPEAKER: If this House is purely at the mercy of one gentleman to function, God help.

SHRI SHYAMNANDAN MISHRA: My only submission to you is to give us guidance. . .

MR. SPEAKER: I allowed this under Direction 115. You stated your facts and the Minister stated his facts. There is nothing else mentioned in the Direction.

SHRI JYOTIRMOY BOSU: Arising out of what has been said. . . .

MR. SPEAKER: You can give it in writing.

SHRI JYOTIRMOY BOSU: I had moved that half-hour discussion and some replies were given to that discussion. From that, this statement under Direction No. 115 has taken its birth. His reply has intensified our doubts, instead of clearing them.

MR. SPEAKER: If any regular motion comes in writing, I will consider it on its merits. You cannot move a motion spontaneously without giving notice.

SHRI JYOTIRMOY BOSU: I will give it in writing in five minutes.

MR. SPEAKER: I will have to study it.

SHRI PILOO MODY: You allow all these things according to the procedure. We also want to function according to the procedure. The procedure lays down that somebody can ask some questions and thereafter it is for the Government to reply to those questions. If the replies do not meet the questions that have been asked, who will protect us and help us to get the correct replies? Unless you tell the minister that this is what the hon. member asked for and he has not replied specifically to this or that point, unless you can regulate it, there is nobody to help us.

MR. SPEAKER: I am not sitting as a judge to decide whether Mr. Mishra is right or the minister is right. I have allowed it under a specific direction.

SHRI PILOO MODY: It is not a question of being right or wrong. It is a matter of the question being answered. He has asked a specific questions. He asked, the market value was so-and-so and you got it at Rs. 30 more. What is the explanation? He gave on the previous occasion some cock-and-bull reasons, which we have disapproved. Now he has no answer. Let him say "I have no answer".

MR. SPEAKER: If the answer to a question is not correct, the Member can bring it up under rule 115. Then the Minister replies. Even after that reply if the Member is not satisfied, then what is the next step? At least, I have not been able to lay my hands on it.

SHRI PILOO MODY: You must use your discretion, because the Minister has not replied at all to the question raised.

SHRI SHYAMNANDAN MISHRA: The basic question is whether the Lok Sabha is going to exercise financial control over the transaction.

MR. SPEAKER: We have to be reasonable. If you are not satisfied with the reply under rule 115, you have to come under some other rule. Offhand I have no idea under what rule you can come again

SHRI JYOTIRMOY BOSU: Rule 342.

MR. SPEAKER: That does not apply here. Some hon. Members are asking me to sit in judgement, which I do not accept.

श्री हुकम चन्द कछवाय (मुरेना) : अध्यक्ष महोदय, मेरा एक निवेदन सुन लीजिए। 115 में यहां एक प्रश्न उठाया गया। उसमें जिन मामलों को उठाया गया सदन के अंदर उन बातो का ठीक प्रकार से उत्तर सरकार की तरफ से नही आया। तो हम आपसे निवेदन करते है कि आप मत्री महोदय से ठीक ठीक उत्तर दिलवाएं .

अध्यक्ष महोदय : एक दफा तो उत्तर दिलवा दिया. . .

श्री हुकम चन्द कछवाय : जिन मद्दों को यहां उठाया गया उन मद्दों पर कोई उत्तर नही दिया गया और अध्यक्ष महोदय, जब सरकार की तरफ से इस तरह से ठीक उत्तर नही दिये जाते है तो वही मूल कारण है जिस से सदन में उत्तेजना बढ़ती है. . . (व्यवधान) जिन बातों को उठाया गया है उनका उत्तर तो आया ही नही है। . . (व्यवधान) आप हमारी रक्षा नही करेंगे तो हम किस के पास जाएंगे ?

अध्यक्ष महोदय : मेरे पास जिस का अख्तियार होगा उसी के लिए तो आ सकते हैं ?

MR. DEPUTY-SPEAKER: Your given in writing a motion.

MR. SPEAKER: I have to study it before I give my ruling on that.

श्री हुकम चंद कछवाय : आज इस अधिवेशन का आखिरी दिन है। अब इस के दो महीने बाद हम बैठेंगे, तो आप कब इसका निर्णय देंगे ?

श्री राम सहाय पांडे : आप इनसे पूछिए कि मामला क्या है ?

अध्यक्ष महोदय : मामला यह है कि एक क्वेश्चन के जवाब से उनकी तसल्ली नही हुई। हमने उस पर उन को इजाजत दी, उन्होंने एक बयान दिया, एक बयान इधर से आया। । अब वह कहते है मुझे कि मैं फैसला दू। मैं कोई जज थोड़े ही बैठा हूं यहां फैसला देने के लिए। मैं तो प्रोसीजर से रेग्युलेट करता हूं ।

श्री राम सहाय पांडे : उनको पता ही नही है कि मामला क्या है।

MR. SPEAKER: We will have to consider whether we will follow this practice of referring it to the PAC every time a matter like this is raised. Once this procedure is followed, it will be treated as a precedent, and matters of this type are bound to be raised again. I will have to see how far it is desirable.

SHRI JYOTIRMOY BOSU: Kindly help us We are more than convinced that government have failed to convince us that the payment of Rs. 67 lakhs to Shri R. P. Goenka. . . . . (*interruptions*).

SHRI VIKRAM MAHAJAN: Sir, these remarks should be expunged because they are casting aspersions. . . (*interruptions*).

MR. SPEAKER: If you are not satisfied and if you think that the Government are in the wrong, the proper method after this should be to come with a substantive motion against the Government. Otherwise, there is no use making any such allegations, bringing such drastic allegations. After this, the consequence follows that you come with a substantive motion. . . .

SHRI JYOTIRMOY BOSU: Where is the time now? Kindly extend the session by one more day.

MR. SPEAKER: After I have received it, I will have to see how far it will be desirable and how far it is within my discretion to allow the motion of reference to P.A.C.

SHRI JYOTIRMOY BOSU: With all that money, they are proceeding to do more mischief . . . . (*Interruptions*).

MR. SPEAKER: Order, order. Kindly sit down.

श्री हुकम चंद कछवाय : आप निर्णय कब तक सुनायेंगे अध्यक्ष महोदय, आज सुना देंगे ?

अध्यक्ष महोदय : नहीं, आज नहीं ।

SHRI JYOTIRMOY BOSU: We will be failing in our duty . . . .

MR. SPEAKER: You should not go on interrupting like this. Let me know how far I should go on tolerating it. Please sit down. The proper thing is to bring a motion. . . .

SHRI JYOTIRMOY BOSU: Where is the time?

MR. SPEAKER: Where was the time when we came to this week.

SHRI JYOTIRMOY BOSU: Are you extending the session by one more day? I have given a motion . . .

MR. SPEAKER: I will see the motion; I will examine it.

12.58 hrs.

MOTION RE. FINAL REPORT OF DIRECT TAXES ENQUIRY COMMITTEE

MR. SPEAKER: The House will now take up further consideration of the motion on the Final Report of the Direct Taxes Enquiry Committee. Shri Surendra Mohanty.

SHRI SURENDRA MOHANTY (Kendrapara): Mr. Speaker, Sir, it will be practically impossible to offer any meaningful comment or criticism on the recommendations of the Direct Taxes Enquiry Committee Report. The recommendations run into more than 300 in number. Therefore, I propose to confine myself to the interim report which the Direct Taxes Enquiry Committee submitted to the Government as late as in 1970. . . . .

MR. SPEAKER: Shall we adjourn for lunch now?

SEVERAL HON. MEMBERS: Yes.

MR. SPEAKER: So we adjourn for lunch to re-assemble again at 2 O' Clock.

13 hrs.

The Lok Sabha adjourned for Lunch till Fourteen of the Clock

The Lok Sabha reassembled after Lunch at Four Minutes past Fourteen of the Clock.

[MR. DEPUTY SPEAKER *in the Chair*]

MOTION RE. FINAL REPORT OF DIRECT TAXES ENQUIRY COMMITTEE—*contd.*

SHRI SURENDRA MOHANTY (Kendrapara): Mr. Deputy-Speaker, Sir, as I was saying before the House rose for Lunch, it will be unrealistic to dwell upon 300 or so of the recommendations of the Direct Taxes Enquiry Committee within the few minutes at my disposal. Therefore, I will mainly confine my remarks to the Interim Report of the Direct Taxes Enquiry Committee which has recommended, *inter alia,* (a) demonetisation, (b) ceiling on cash holdings, and (c) acquisition of immovable property, which comes under understatement of purchase considerations. The Government have implemented the last mentioned recommendation namely, acquisition of immoveable property. But, as regards demonetisation and ceiling on cash holdings, the Government has deserved the full-throated cheers of the black-money sector for having scotched for all time to come the question of demonetisation of black money. The reasons are very obvious. Even the Direct Taxes Enquiry Committee report has stated at page 9 and has expressed scepticism about demonetisation in the following words:

SHRI SURENDRA MOHANTY:

> "It has been represented before us that the political climate in India is none too conducive for checking black money transactions. . . . Rather, it is contended that it provides opportunities for generation of black money."

This is what has been stated, not by the Opposition Members, not by certain cantankerous members of this fraternity who always want to pick a hole in the Government, but it is mentioned by the Members of the Direct Taxes Enquiry Committee—that the political climate in India is none too conducive for suppression of black money.

In that context, with all humility, may I know from the Minister of Finance as to how this climate of this country which has certainly been surcharged by ultra-socialism, why it has not been found conducive for suppression of black money. Therefore, in that context, I am not surprised at all that Mr. Chavan or his colleague Mr. Ganesh would voluntarily rise up and say that demonetisation of black money is not a feasible proposition at all.

MR. DEPUTY-SPEAKER: Why demonetisation only of black money? . . . (*Interruptions*).

SHRI SURENDRA MOHANTY: That, the bankers will do, when you submit your forms and you disclose your source wherefrom you got those notes. Then only, black money and white money will be distinguished.

As I was saying, the Committee has very categorically mentioned that the political climate in India is not conducive. When it refers to the political climate, it does not refer to individuals like me who are independent members or to the truncated minority that is represented in this House. The political climate refers not to the Swantantra Party at all. It refers to the Congress Party which is to-day in the saddle of power . . . (*Interruption*) I charge there is no demonetisation because if there is demonetisation, black money will be disgorged out of the vaults of the Ministers and from their private holdings. Therefore, I charge that this Government, to keep itself sustained in office and power and to manipulate the elections by the money-bags, they have not demonetised black money which is one of the important recommendations in the interim report of the Direct Taxes Enquiry Committee report.

I must say, I am not an expert, neither am I a financial expert nor a tax expert. But I take consolation from the fact that one eminent writer has defined an expert as a lamp post for the drunkards to lean against than to show the way in darkness . . . (*Interruptions*). I said I am not an expert That means I am not a lamp post. Therefore, no drunkard can lean against me. I can show the way and, therefore, as I was saying, I am not an expert I will try to bring in the comman man's point of view on this subject and commonsense being a commodity which is in great scarcity, I do not know if my submissions will appeal to the hon. Minister of Finance

The interim report had laid greater emphasis on this issue of black money than on any other recommendations. They had said this in their final report at page 2 Chapter I, paragraph 1.7 :

> "Towards the end of 1970 we submitted an interim report to the Govt. recommending certain immediate measures for unearthing black money and countering tax evasion".

I emphasise the words—immediate measures. This was given in the year 1970. After two years, that is, in the year 1972, we came to know that there was something called interim report left in the cupboards of the powers that be. The committee reported as follows:

> One subject which we felt needed immediate attention was that of black money as it has been eating into the vitals of our economy.

The Committee had recommended demonetisation to start from ten rupee currency notes. Out of spite, the Government has replied to this recommendation, by issuing twenty-rupee notes. Not only that, Sir. . . . .

SHRI P K DEO (Kalahandi) Even those twenty-rupee notes are fast vanishing from the market

SHRI SURENDRA MOHANTY As my friend said, even those twenty rupee notes are fast vanishing from the market On top of it the Government thought it fit to issue ten-rupee coins All this adds up to further hoarding of the black money

The Direct Taxes Enquiry Committee has stated that the quantum of black money would be of the order of Rs 7 000 crores Mr Salve poohpoohed the assessment and said, it cannot be Rs 7 000 crores it is a figment of imagination But Sir we have to very objectively analyse how the Committee has come to this determination of the quantum of black money

MR DEPUTY-SPEAKER Your time is up Kindly conclude

SHRI SURENDRA MOHANTY Rs 7,000 crores are involved kindly give me three more minutes

MR DEPUTY-SPEAKER Then, several thousand hours must be taken! (*Interruption*) Because several thousand crores are involved, several thousand hours must be taken, one second per thousand We have exceeded the time you have exceeded the time the debate has exceeded its time now you must conclude

SHRI SURENDRA MOHANTY I am a man who never exceeds the line of honour Please give me three more minutes Dr Kaldor in 1956 assessed that in this country the tax evasion was of the order of Rs 200—300 crores How did he come to that assessment? He had taken as the basis the non-salaried sector, the taxable income and the actual income that is the income which has been taxed The difference was taken to be the quantum of the tax evasion which ultimately gets converted into black money On this basis the Direct Taxes Enquiry Committee had come to the conclusion that in the year 1970-71 the quantum of black money was of the order of Rs 7,000 crores Going through the Direct Taxes Enquiry Committee Report I have worked out certain deleterious effects which black money exercises over our economy They are

(1) Wealth tax gets dodged as transactions remain concealed

(2) As black money multiplies the area of artificial shortage grows

I maintain that one of the most important contributory factors for the rise in price today is the increase in the amount of speculation which has been promoted by black money

(3) Illegal operations in black money have induced a considerable amount of leakage of foreign exchange through under invoicing and over-invoicing of foreign trade deals

(4) Resources needed for development are not adequately forthcoming for the reason that business is carried on in the black'

(5) It helps concentration of wealth in the hands of the unscrupulous few in the country

The sixth is that cheap money is encouraging conspicuous consumption You will find Sir that these five-star hotels, be it Ashoka or Akbar are not patronised by the foreign tourists in whose name these hotels have been put up but they are all being sustained today by the black money sector which is endangering the economy of our country Seventhly the existence of black money has to a large extent been responsible for the inflationary pressures rise in prices and unhealthy speculation in commodities Eighthly, it is encouraging large-scale smuggling of gold into this country, causing considerable stram on its already tight balance of payments position Ninthly it is creating an oddity of the situation that a country whose *per capita* and more particularly foreign exchange resources are scarce becomes a lender of aid and capital to the economically advanced and wealthier nations with the concealed outflow of funds

SHRI JYOTIRMOY BOSU (Diamond Harbour): Shah Wallace & Co.

SHRI SURENDRA MOHANTY: See the enormity of it. The enormity is this. I hope the hon. Minister will explain to us, because the whole country is interested in it; while we are in need of aid and of foreign exchange resources from foreign countries, India is a lender to countries which are in need of foreign exchange aid. Will he deny it? How does it happen? It happens only through the mechanism of black money. Lastly, black money is frustrating Government's policy of selective monetary control. Black money makes available alternative sources of credit to non-priority sectors on which credit squeeze is to be applied. These are the ten deleterious effects of black-money . . .

MR. DEPUTY-SPEAKER: That was his last point It does not need much explanation. He has made his last point. Now, let him please take his seat.

SHRI SURENDRA MOHANTY: I am concluding. In conclusion I would say that it is not a partisan issue; it is an economic issue which vitally affects the well-being and the future of our country. In that context, I would request the hon. Minister not to give a monosyllabic reply that Government are not disposed to unearth black money . . .

Mr. DEPUTY-SPEAKER: He can be sure that it will not be monosyllabic but it will be polysyllabic.

SHRI SURENDRA MOHANTY: But I would like to know from him particularly what he has to say about the ten deleterious effects which I have just now enumerated, and how he is going to suppress them without unearthing black money and without demonetisation. He owes an answer to this House and to the country why in the face of the recommendations to demonetise even Rs. 10-notes, Government were in a hurry to issue Rs. 20-notes and how those notes have vanished.

PROF. MADHU DANDAVATE rose—

MR. DEPUTY-SPEAKER. Does he want to speak?

PROF. MADHU DANDAVATE (Rajapur): Yes.

MR. DEPUTY-SPEAKER: But he can have only two minutes.

PROF. MADHU DANDAVATE: I shall try my best.

SHRI JYOTIRMOY BOSU: Two minutes for Rs. 7,000 crores.

PROF. MADHU DANDAVATE: Since I have very little time at my disposal rather than cursorily touch various aspects of this report, I shall only touch that aspect of the recommendations, which deals with tax evasion and black money, because that is a very important aspect of the report, and many suggestions on that are actually discussed or will have to be implemented or in many cases will have to be improved upon.

For a number of years, we were trying to discuss the problem of black money and tax evasion only in abstract terms. No doubt, Prof. Kaldor had made a certain tax-evasion estimate of Rs. 200 to Rs. 300 crores. But for the first time, in a very scientific manner, the dimensions of black money have been revealed by this report, and it has been made explicitly clear that as far as tax evasion is concerned, calculating for 1968-69 on the basis of assessment and the actual assessable income, it has been found out that for the year 1968-69, the income-tax evaded is of the order of Rs. 470 crores. Almost on the same lines it has been found that the money value of deals involving black money can be estimated at nothing less than Rs. 7,000 crores. A certain analysis has been offered by the Wanchoo Committee's report, and on the basis of evidence that was led by industrialists as well as trade unionists and economic experts, from their point of view, the causes of tax evasion and black money can be traced to a number of factors.

First, they have cited the high rates of taxation under the direct tax laws; secondly, the economy of

shortages and consequent controls and licences (especially after the second world war); thirdly, donations to political parties, fourthly, corrupt business practices (secret commissions, bribes and *pugrees*) fifthly, ceiling on and disallowances of business expenses; sixthly, high rates of sales tax and other levy, seventhly, ineffective enforcement of tax laws, and lastly, many experts have said that the falling moral standards in our public life and also in business transactions are not less responsible for this malady

If these are the causes—I do not agree with all of them—it would be better to concretise some of them They have referred to the funds contributed by the industrial houses to political parties I do not want to spell out the details, because on one occasion, I brought forward concrete facts and also threw a challenge that I can produce tape recorded evidence, and if a judicial probe is undertaken, I will be able to put before it facts and figures to indicate how much amount was drawn in the last elections for the election funds by the ruling Congress party through every industrial house, amounts upto Rs 25 lakhs from every industrial house I had concretely indicated that in the case of the Asian Cables licences for 1,000 tonnes of polythene were given and actually they were sold in the black market. These are the shady deals indulged in as a result of which you will find that black money is there

As far as the report is concerned, no doubt they have made three concrete suggestions One is demonetisation, second, a ceiling on cash holdings and third, acquisition of immovable property in cases of under-statement of purchase consideration. But the question is why are these measures not being undertaken by Government, and when they are undertaken by Government, why is it that fail? It is not that the device of demonetisation cannot produce any effect at all Take, for instance, the experience of Belgium. In Belgium, as a result of the withdrawal of notes of 100, 500, 1000 and 10,000 francs in October 1944, circulation of currency contracted from 164 million francs to 57 4 million francs by the end of 1944 They introduced the measure in October and by December they were able to produce results, because they had a mind to bring about the best possible results by demonetisation

We always say—and some experts always repeat the argument—that in our country, the experiment of demonetisation was tried in 1946 and because that experiment in 1946 failed, probably this recommendation of the Wanchoo Committee need not be taken seriously because it is again bound to fail. Therefore, it is very necessary to find out why is it that in 1946 the experiment of demonetisation did not produce much result Demonetisation failed in 1946 because the notes demonetised were of the value of Rs 143.97 crores only as against the total notes issued of the value of Rs 1,235.93 crores So look at the proportion between the two Notes of the denomination of Rs 100 and Rs. 10, which were of the order of 41.2 per cent and 35 3 per cent respectively were left untouched Therefore, even if in the future, if they try to undertake this device of demonetisation, if they tinker with the problem as was done in 1946 when results were not produced, it is very likely that this time also results will not be available

Therefore, it is very necessary that along with demonetisation certain other measures must be undertaken For instance, if we look at the manner in which taxes are being evaded it is not sufficient merely to say that if you have more of taxes, there will be more scope for evasion, if there is more tax, the machinery becomes more complicated, if you have more of licences and more controls, there is more room for bribery and corruption This is the stock argument put forward by every industrialist and big industrial house. On the contrary, you will find that even after having these taxes, if there is

[Prof. Madhu Dandavate]

a rationalisation of the taxation machinery, it would possible for us to have better recovery of tax arrears. For instance, today one of the basic maladies of our tax recovery structure is that the entire machinery is so complicated—it is a multi-point machinery—that there are various levels at which bribery and corruption can be indulged in. Today I will not be making any exaggeration if I say that if the representative of an industrial house comes to Delhi and if he wants to secure certain licence, except that on the secretariat boards it is not written that this is the rate of corruption and this is the rate of bribery, everything is understood. Conventionally, these rates have been fixed up. I am making this argument on the basis of the information that has been given by a number of businessmen, and when I talked to some of them and asked why is it that some people should not make a beginning for themselves and say, "We will not indulge in this corruption and bribery", they say that when they try to follow the clean methods they have to stand in the queue for a longer time, and thereby suffer in business. Those who believe in the efficiency of business have to take it for granted that bribery and corruption in this capital of India is supposed to be a part and parcel of their overhead expenditure, and the establishment charges are inevitable and they take it for granted, and then they work up their profit. Accordingly, they try to fix up the prices for their commodities. That is how the entire thing is happening.

Therefore, in conclusion, I would say that in addition to the various reforms that are necessary, it is extremely necessary that we streamline the entire machinery of tax recovery, and if that is done, I have not the least doubt that these tremendous arrears can be recovered.

My conclusion is that the recovery of tax arrears is necessary even for the developmental activities in this country. The other day, when many of us coming from the working class movement referred to the problem of bonus, the significant argument that was given by the Labour Minister, and that was always given by the Finance Minister was, if 8.33 per cent bonus is to be given to all categories, in that case, from where the resources are to be brought, and from where we can arrange for Rs. 250 crores. And there, I feel if you take the recommendations of the Wanchoo Committee into account and try to rationalise and streamline the recovery machinery, it should be possible for us to have a massive mobilisation of the resources in the country, and many demands of the working class and agricultural labour can be met.

These are my conclusions.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K R. GANESH): Sir, I am grateful to the hon. Members who have taken part in this debate. This debate has given an opportunity to the Government to find out the views of this hon House as also of the other House. From the time the report of the Wanchoo Committee was laid on the Table of the House and thus made public. . .

SHRI JYOTIRMOY BOSU: Which one are you talking of?

SHRI K. R. GANESH: The Government has been trying to consult public opinion through various measures. The House is aware that a seminar of economists was held in which leading economists of the country participated for two days and gave their views and their observations on the various recommendations of the Wanchoo Committee. The fifth and the sixth meetings of the Consultative Committee of the Finance Ministry were devoted exclusively for the discussion of the various recommendations of the Wanchoo Committee. Various other private seminars of various organisations like the Chartered Accountants, Chambers of Commerce, have been held. Their views are also available to the Government and now, finally, both the Houses of Parliament have discussed this question

and the views of the hon. Members will be very useful for the Government to make up its mind and take decisions on the various recommendations on the Committee's report.

Before I go into some points that have been raised, it is necessary for me to point out some of the salient features of the Wanchoo Committee's recommendations. As the House is aware, the final report was submitted to the Government on the 24th December, 1971. In the Finance Act of 1972, some of those recommendations have been already implemented, like the tightening of the provisions relating to the exemption of the income or wealth of charitable or religious trusts; then, enabling the Central Government to enter into the tax treaties with foreign countries with a view to tax avoidance and evasion, and taxation of casual and non-recurring income including winnings from lotteries, crosswords, etc.; then, raising the rate of interest chargeable from assessees and also payable by the assessees to the Government under the provisions of direct taxation laws from nine to 12 per cent deduction of tax at source from payment in respect of lotteries, crosswords puzzles and deduction of tax at source at two per cent out of payment to contractors by the Central or State Government, discontinuance of tax concessions granted in respect of income from specified priority industries and withdrawal of exemption in respect of income from dividends received from co-operative societies. Some of the recommendations of the Wanchoo Committee have already been implemented by the Finance Act.

The report contains about 396 recommendations out of which if accepted by the Government, will require legislative action. To process the whole number of recommendations of the Wanchoo Committee a cell was constituted and this cell is expeditiously processing these recommendations. From the cell they go to the committee of Secretaries and then they are sent to the Finance Minister. Then they are sent to the various Ministries with which these recommendations have got some connection and also to the Law Ministry which will have to bear the main brunt because the vast majority of the recommendations will require legislative action. It is the intention of the Finance Ministry and we are expeditiously processing those recommendations. Such of those recommendations accepted by the Government will be brought in the form of comprehensive legislation and at the time when such comprehensive legislation is brought forward the Government will take the opportunity of introducing some other important changes that are necessary in view of the socio-economic conditions in the country. We would have fulfilled an assurance to the Lok Sabha the other day that it is our intention to expeditiously finalise the decision of the Government and if we could process it early, during the next session we could bring this comprehensive legislation so that major recommendations of the Wanchoo Committee could become law.

SHRI JYOTIRMOY BOSU: Which one?

SHRI K. R. GANESH: It is childish.

SHRI JYOTIRMOY BOSU: I take exception to this . . . (*Interruptions*).

SHRI K. R. GANESH: He can go on saying anything, go on interrupting anybody, not accepting anything that is said . . . (*Interruptions*). If he is so touchy, I withdraw that particular word. We are involved in a serious discussion . . . (*Interruptions*). You have not had experience of going through the mill of a serious political party; you have just been catapulated . . .

SHRI JYOTIRMOY BOSU: This arrogant Minister is too big for votes. A little knowledge is dangerous; he is the example. You better hold your tongue.

SHRI K. R. GANESH: I shall neglect what my hon. friend has said and I would place before the

[Shri K. R. Ganesh]

House some of the very important recommendations of the Wanchoo Committee to which the Government will have to give very serious consideration.

SHRI JYOTIRMOY BOSU: On a point of order. I asked a specific question. Which one is he talking about? The interim report has been laid on the Table of the House.

Will you kindly ask him to sit down? He should know manners.

SHRI K. R. GANESH: He should know how to behave; you should ask him to learn to behave. I have not yielded and I am continuing my submission.

SHRI JYOTIRMOY BOSU: On a point of order.

SHRI K. R. GANESH: Everything is a point of order.

SHRI JYOTIRMOY BOSU: There are two reports before the House, one the interim report laid on the Table of the House which the Finance Ministry has had seven or ten days to examine, sent by the Lok Sabha and the final report, as I maintain, written under duress.

MR. DEPUTY-SPEAKER: What is the point of order?

SHRI JYOTIRMOY BOSU: When he refers to the report, which report is he talking about? We want to know.

SHRI K. R. GANESH: This motion says:

> "That this House do consider the Final Report of the Direct Taxes Enquiry Committee, laid on the Table of the House on the 20th March, 1972."

SHRI SURENDRA MOHANTY: The interim report is embeded in the final report.

MR. DEPUTY-SPEAKER: That is his reply.

SHRI K. R. GANESH: Some of the salient recommendations of the Wanchoo Committee are: The introduction of any general scheme of disclosure either now or in future should be strongly opposed. The power of search under the Income-tax Act is a potent instrument and the income-tax department should use this as deterrently as they should be capable of. They have also recommended about controls leading to some of the malpractices, leading to black money. They have also recommended that steps should be taken to create confidence among small tax-payers. They have recommended that the department should completely reorient itself to a more rigorous prosecution policy in order to instil fear and wholesome respect for the tax laws in the minds of tax-evaders. The intelligence machinery should be thoroughly overhauled so that it may be able to tackle this problem. Agricultural income-tax, which is at present outside the central tax net affords plenty of scope for camouflaging black money—this is now before the K. N. Raj Committee. They have also recommended that statutory provisions should be made for compulsory maintenance and audit of accounts above certain limits of income-tax turn-overs. They have recommended that credit facilities by banks should be denied to tax-evaders. Steps should be taken to arouse social conscience against tax evasion. Tax-evaders should be disqualified for getting national awards and for holding public elective offices or becoming Directors of companies for a period of years. About tax avoidance, they have made a number of wholesome recommendations. On the question of tax arrears, they have made various recommendations. They have said that a high-powered body should be set up to consider exclusively and decide cases of write-off of tax arrears.

In connection with tax administration, they have rcommended that the status of the Direct Taxes Board should be raised. They have also made recommendations about various other matters pertaining to the actual working of the income-tax department.

These are some of the more important recommendations of the Wanchoo Committee. As I said earlier, these are being processed and will be processed within the framework of the socio-economic objectives of the country and the experiences that we have gained in the process of working of the various direct taxes laws.

SHRI JYOTIRMOY BOSU: On a point of order, Sir. I have submitted that the reply to this debate as stated in the List of Business has to include the interim report, because of the statement that has been made in the final report which says:

> "After detailed deliberations and careful consideration of the valuable suggestions offered by them, we are still fully convinced about the efficacy and feasibility of the measures recommended in the interim report."

So, the interim report is part and parcel of the final report. If the minister chooses to evade that part of the question, we shall understand what he has in mind.

MR. DEPUTY-SPEAKER: There is no point of order in that.

SHRI K. R. GANESH: Sir, it is not the case of Government that there is no black money. The very fact that the Wanchoo Committee was set up, which was a high-powered body presided over by a former Chief Justice of the Supreme Court and other eminent persons, was positive proof of the concern of Government about this menace of black money.

On that there is no difference of opinion between hon. Members on that side and this side of the House. The question is what steps are taking, what integrated policy we are adopting, with a view to see that this menace is stopped. There is no doubt that black money is playing havoc with our economy, with our social life and it is giving an inverted picture of the entire situation in the country. There is no doubt that price rise is consequent on the free use of black money. There is no doubt that ostentatious living and conspicuous consumption are due to black money. The only difference of opinion can be about its extent but not about its existence. When there is such a large amount in unauthorised channel, a sort of parallel economy, it will have its impact on various facets of our life.

The Wanchoo Committee themselves, after arguing the money value of deals involving black money, stated that this may not be less than Rs. 7,000 crores in 1968-69. On this basis, the extent of the income-tax evaded during 1968-69 would be of the order of Rs. 470 crores. After this they have said:

> "We would, however, wish to emphasize that the amount of tax evaded income for the year 1968-69 is only a guesstimate based on certain assumptions about which substantial difference of opinion exists for want of adequate data . . ."

When the Kaldor Report was there, there was difference of opinion between the estimates of Kaldor and that of the Central Board of Direct Taxes. The Direct Taxes Administration Enquiry Committee have said:

> "The quantum of tax evasion, though undoubtedly high, was not of the magnitude indicated by Prof. Kaldor."

My object in quoting all this is not to minimise the menace of black money but to show that there is difference of opinion about its extent. Unless we have a proper estimate of its extent we will not be able to think of a solution to the problem. The report further says:

> "In addition, we would also like to dispel a possible impression that the tax evaded income is all lying hoarded which can be seized by the authorities: Much of it has been either converted into

[Shri K. R. Ganesh]

> assets or spent away in consumption or else is in circulation in undisclosed business dealings."

The origin of black money is not from the start of Congress rule. It dates back to the second world war when there was a spurt in business, a spurt in construction work and there was also hoarding anticipating shortage of commodities and these resulted in people amassing wealth. In the hon. Member's own province nearly three million people died due to want of food when in fact food was available because there was hoarding. The generation of black-money started right from that time and it is a continuous process. Then, as the Wanchoo Committee rightly says, every plan and planned development has its own distortion. As it happened in our country, it has happened in other countries including Socialist countries, though to a much lesser extent. When planned development takes place greater opportunities are created The anti-social elements use controls to amass wealth. The opportunities created by planned development are also used by some unscrupulous businessmen for tax evasion.

So, the origin the extent the magnitude and the ramifications of the black money are known. But the opposition is trying to reduce it to the rule of thumb saying that it is all due to the Congress Party being in power. It is true that black money has grown in ramifications It has grown as the taxes have grown. It is a serious problem for national concern. But it has to be viewed realistically and objectively. It cannot be reduced to a political criticism that the Congress Party is taking money from business houses and so black-money has come.

During the last 6-7 years, from 1967 onwards, the Indian people have gone through a very rich political experience. When I say this, let not the hon. Members become angry. The criticism about Congress party having dealings with big business has been there for the last 20 years That criticism has been there. I am trying to meet that criticism. Let me place squarely before this House, I personally consider it a tragedy of the Indian political life that the C.P.M. Government in Kerala fell on charges of corruption . . .

SHRI JYOTIRMOY BOSU: Don't be ridiculous.

SHRI K. R. GANESH: It is a fact . .

SHRI JYOTIRMOY BOSU. It is not a fac

SHRI K R. GANESH: It is a fact that the C.P.M Government in Kerala . . .

SHRI JYOTIRMOY BOSU: On the floor of Parliament I cannot call him a liar. Otherwise. I could have called him a liar.

SHRI K. R. GANESH: Let the hon. Member have a sportsmanship spirit.

It is a fact of contemporary Indian political life, a very regrettable fact, that the C.P.M. led Government in Kerala fell on charges of corruption against their Ministers. This is the extent of malady with which we are trying to deal. The Indian people during the last 7 years have also seen other Governments. Now, the hon Member from Orissa, a very eloquent speaker, a very fine speaker, a very learned person—he is not a lamp-post; he is not an expert—accused the Congress party for this thing. His party had an alliance with Swatantra party there . .

SHRI P K DEO: On a point of order, Sir

MR DEPUTY-SPEAKER: There is no point of order

SHRI P. K. DEO: My point of order is, to prove their *bona fides*, why not the Congress (R) Government proceed on the Sarjoo Prasad Commission's report which is a clear verdict of corruption against Shri Hare Krishna Mehtab.

MR. DEPUTY—SPEAKER: There is no point of order.

SHRI SURENDRA MOHANTY: On a point of order. Sir.

MR. DEPUTY-SPEAKER: There is no point of order. Before I listen to you, let me say, you have made so many charges against this side of the House. Now, when they make some attack on you, you should be able to take it. The moment some charge is made against you, you start shooting up. When this side of the House attacks you, you say, it is a point of order. When you attack this side of the House, there is no point of order.

SHRI SURENDRA MOHANTY: I am not afraid of charges or attacks. Let him say, my party has taken black money. I have no objection to that. But my association with a particular party which is recognised by the Election Commission and by the Government does not *ipso, facto* prove that I am a party to that.

MR. DEPUTY-SPEAKER: He never said so. There is no point of order. The Minister never said that.

SHRI JYOTIRMOY BOSU: On a point of order, Sir.

MR. DEPUTY-SPEAKER: What is the point of order?

SHRI JYOTIRMOY BOSU: It is under rule 376. The hon. Minister is misleading the House. He talked about Kerala Ministry . . . (*Interruptions*).

MR. DEPUTY-SPEAKER: Order, please. What you have said has gone on record. There is no point of order.

SHRI R. S. PANDEY (Rajnandgaon): Just a submission.

MR. DEPUTY-SPEAKER: What submission? The Minister is making a speech.

SHRI R. S. PANDEY: I want to put a question.

MR. DEPUTY—SPEAKER: No question now.

SHRI R. S. PANDEY: Should I rise on a point of order?

SHRI K. R. GANESH: Sir, I was only trying to submit that since the problem is of such magnitude, its ramifications are so vast, a large number of evil social forces are involved in it, we will not be able to tackle this problem by just reducing it to a problem of the Congress party . . . (*Interruptions*). That is why I gave those instances. Of course, sometimes, the truth is very bitter. The hon. Members do not like it. But the fact is that this is the actual reality of the objective situation in which we are living. I may also submit that the Congress Party, which has been the ruling Party for the last two decades or more, whenever there were charges, had the integrity to set up inquiry commissions against Chief Ministers; any number of names can be given, any number of names of Cabinet Ministers can be given where inquiry commissions were set up; the inquiry commissions' reports have been there. Very eminent persons of Congress Party had to lose their positions because certain norms were followed. I have to defend the Party because all the charges have been levelled as if the problem of black money can be reduced to the problem that the Congress Party is alleged to be interested in black money.

SHRI JYOTIRMOY BOSU: You are a glorious set of people!

SHRI K. R. GANESH: Nor are you; it is a tragedy.

The hon. Member had spoken about the Interim Report. There is nothing secret about the Interim Report. In this House itself we have said this a number of times. Even before the final report was placed before the House, we have answered questions in Lok Sabha and Rajya Sabha.

With your permission I would like to read out the answer given in the Rajya Sabha to Starred Question No. 326 on 3rd August, 1971:

> "One of the recommendations in the Interim Report of the Direct Taxes Inquiry Committee is that the Income-tax Act should be amended to empower the Central Government to acquire immovable properties which are the subject matter of transfer at prices which correspond to those disclosed in the instrument of transfer. Government have accepted this recommendation. A Bill to amend the Income-tax Act for this purpose is expected to be introduced in the current ses-

[Shri K. R. Ganesh]

sion of the Lok Sabha. The other recommendation concerns demonetisation and related matters. On these no action is contemplated".

In Lok Sabha, in reply to Unstarred Question No. 851, on 4th August 1972 we had stated:

"The Government do not consider that demonetisation of currency notes provides the answer to the problem of black money"

So, there is no question of the Interim Report being made a secret. There is nothing secret about that. The fact is that there was an Interim Report. It has been stated in the House that there has been an interim report The hon. Member may not agree with the decisions that Government have taken on some of the recommendations of the Interim Report which have been very frankly stated. We have said that we do not consider that demonetisation provides the solution to the problem of black money Government have reasons for it and that is why Government have not accepted this recommendation. There is no question of making a James Bond story about it—that the interim report was not shown, the interim report was not mentioned. It is a fact that there has been an interim report about which the House has been informed Government had informed its decisions even before the final report was taken. Government has informed their decision that they were not thinking of accepting that recommendation as far as demonetisation was concerned

I would also like to answer the hon. Member .

SHRI P K DEO: Will he say that the interim report revealed by Mr. Bosu is the real interim report to which he is referring?

SHRI K. R GANESH: The hon Member has also said . . .

SHRI P. K DEO My question has not been answered—whether the Minister accepts the authenticity of the interim report placed by Mr Bosu on the Table of the House the other day.

SHRI K. R. GANESH: Hon. Member, Mr. Jyotirmoy Bosu, also said that . .

SHRI P. K DEO. What about my question?

MR. DEPUTY-SPEAKER: He has heard your question. It is up to him. (*Interruptions*).

SHRI K R GANESH: He had said that this report was also written under duress These were his exact words

SHRI JYOTIRMOY BOSU: Yes.

SHRI K. R GANESH. The hon Member, while praising the Wanchoo Committee for the interim report goes on to say that this report was written under duress Sir, this is a very grave and irresponsible accusation against a very high powered committee I am using very strong words because the kind of accusation that he has made requires these strong words. His object is to destroy the credibility and the image of every democratic institution that we have set up in this country Once he does that, then only he will be able to pursue the kind of politics that he wants to pursue (*Interruptions*)

If politics are so, during the last 3-4 years (*Interruptions*) right from the time his Party came to power (*Interruptions*) If that is the standard to which the hon Member can reduce himself when a serious debate is going on, I am not here (*Interruptions*). But I will try to do my job as conscientiously as possible The political line that his party has been following has boomeranged and now his job is to see that even high-power committees set up whose interim report he accepts, whose interim report he praises, now he comes to say that this has been written under duress Nothing can be farther from the truth It is a report which has been written in all seriousness, by a committee which was presided over by a former Chief Justice of the Supreme Court and I do not think hon Members are sharing this expression of the hon Member, Mr Jyotirmoy Bosu, that this was written under duress

SHRI PILOO MODY (Godhra): People on your side also have been passing derogatory remarks . . .

SHRI K. R. GANESH: Not written under duress, if anything was said about the Supreme Court.

When it comes to the question of property, when it comes to the question of social justice, you become a defender of that and when it comes to a question like this . . .

SHRI PILOO MODY: I am not a defender. Only two minutes ago, the hon. Minister was claiming the virtue of defending the institutions of democracy and only two minutes later, he starts talking derogatorily about the Supreme Court.

SHRI K. R. GANESH: I did not do that . . . (*Interruptions*).

SHRI PILOO MODY: It was a very valid question my friend asked, over here—what are the institutions you are defending.

SHRI K. R. GANESH: Let me tell him that I have not uttered anything derogatory. I said only property. I use very precise words, words . . .

SHRI PILOO MODY: You followed it by saying 'social justice' also.

SHRI K. R. GANESH: I use very precise words. When property relations are involved, the hon. Member has one personality. When things like this are involved, he was another personality. Because it is the question of black money, and because he has lots of money, he thinks he can win the elections. Therefore, he thinks that everybody wins elections through black money as if black money alone can win the elections. Sir, it is the biggest insult to the Indian people, to the maturity of the Indian people

SHRI PILOO MODY: Not only has the Minister not replied to my speech on the subject . . .

SHRI K. R. GANESH: No running commentary, please . . .

MR. DEPUTY-SPEAKER: Order please. I would request this side of the House not to be so touchy . . .

SHRI PILOO MODY: I am not at all touchy. But let him say . . .

MR. DEPUTY-SPEAKER: Order, please. Please sit down. When he is saying something, you can intervene once or twice . . . (*Interruptions*). Order, please. I am replying to Mr. Piloo Mody. I am speaking with reference to you because you have stood up at least three times in the course of the last two to three minutes . . .

SHRI PILOO MODY: Only twice.

MR. DEPUTY-SPEAKER: What I am saying is: it is all within parliamentary practice that when a reference is made which Members do not like, they protest, they intervene for half a second or so. That goes on record. But that does not mean that at the end of every sentence that a member says, the other Member should stand up and protest. That is what I am saying.

Now, please continue.

SHRI PILOO MODY: May I continue, Sir?

MR. DEPUTY-SPEAKER: No. please.

SHRI P. K. DEO: He has not replied to the various points raised by this side.

SHRI JYOTIRMOY BOSU: What about Darbhanga bye-elections—Rs. 17 lakhs expenditure, I am told?

MR. DEPUTY-SPEAKER: Order, please. When a Minister speaks, I cannot tell him what he should say and what he should not say. He can reply. If there are certain points to which he does not reply, then you have got the satisfaction that he cannot reply to your point.

SHRI K. R. GANESH: I explained that the problem of black money is a problem of national concern and it is also a problem of immense magnitude with very extensive ramifications. To tackle it, an integrated approach is necessary. We are determined to push through a comprehensive legislation on this subject. Even before Wanchoo Committee recommendations were made public, the Government had taken various steps because there is a new climate in the country, there is a new awareness in the country, there is a new temper in the country and people expect us to

[Shri K. R. Ganesh]

implement the pledges and the mandate given by the people. And, even before this came about, the Direct Taxes Board had streamlined the organisation. It has taken various steps to see that maximum amount of revenue is collected. We have from time to time given figures to the House regarding the arrears of taxes which were collected from the year 1968 to 1972. They have reduced not arrears of taxes on 31-3-72 by Rs. 61 crores as compared to 31-3-71. Even in the last year itself Rs. 87 crores were collected as part of direct taxes, by way of realisation of tax arrears.

15 hrs.

Therefore, these various steps have been taken to made a frontal attack on the evil of tax evasion, tax-avoidance and black money. A cell has been set up which will go into the cases of such large houses. They indulge in very sophisticated tax planning and tax avoidance systems; it is not possible to go deeply into this unless there is a special machinery for this purpose and therefore, this particular cell will go into the matter in depth and take action. We have carried out various seizures. Various reports on that are within the knowledge of hon Members. Various disclosures have been made and reports are given about which the House is aware. The ramifications of black money in the film industry right from the financier up to the laboratory have been unfolded by the Income-tax department and various other seizures have been made Various other steps have been initiated. The Board has got necessary experience and expertise to tackle these problems

The Taxation Laws Amendment legislation which has become a law will also help us in seeing that property under-estimated for a consideration will also be tackled properly

SHRI B. P. MAURYA (Hapur): Political leaders' houses should be raided. (*Interruptions*) Income-tax Officers' and political leaders' houses should be raided You have not done that.

SHRI K. R GANESH: Whenever the raid is to be conducted, we ought to have some facts. I would request the hon. Member to provide me with the necessary facts prior to raid being undertaken.

In conclusion, I would say this. This problem requires an integrated approach There should not be a partisan approach. There are various legislations which have been brought up before the House for this very purpose. We will have the comprehensive legislation in the next session of the House. The Foreign Exchange (Amendment) Bill has already been introduced and this has been referred to a Select Committee. The Central Taxes Law will also be comprehensively changed and that will be brought before the House as soon as possible. There is also the amendment of the Central Sales Tax Law. All these are various instruments in the hands of the Government to tackle the problem of tax evasion. These instruments have got to be used properly, vigorously, with determination and with the consciousness that we have got to honour our commitment to the people. Not only should we put down the evil of tax evasion, but we should put through our various development programmes, if we have to make any impact on the various promises we have made.

It may be said that some of these instruments were in the hands of the Department itself. But I would answer by saying that there is a new awareness in the country, there is a new temper in this country. In this House itself, every day during the Question Hour, questions are put on the question of arrears and various other irregularities that might have been there. In this new atmosphere, in this new temper of the people, and being conscious of the fact that if we fail, we shall not be failing our party but we shall be failing the entire country and we shall be failing the entire people of our country who have given us this mandate, we are determined to use these instruments.

In conclusion, I would just say one other thing. In my own short experience as a Minister, I have found that this class which evades taxes and which has black money is a very cowardly class. If the instrument of prosecution and the instrument of

seizures are used in a vigorous and determined manner, I think we can make a tremendous impact

In this connection, the recommendations of the Law Commission are very useful, because they have recommended that these crimes should be treated as social and economic crimes and that some of the constitutional provisions should not apply to these crimes. With the legislations now on the anvil and with the new approach that the Law Commission is giving to the concept of social crimes and to the concept of dealing with the social criminals who are as anti-national and who are as anti-social as any ordinary criminal, and with the present temper of the country and the climate of the country, I hope we would be able to make a determined assault on this citadel of vice, on this citadel of filth and on this citadel of social abuse, and for this I seek the assistance and cooperation of all sections of the House.

MR DEPUTY-SPEAKER: Now, Shri Jyotirmoy Bosu

SHRI JYOTIRMOY BOSU: The hon. Minister has taken over 40 minutes

SHRI R S. PANDEY (Rajnandgaon): May I just ask one question of the hon Minister?

A very inspiring speech has been delivered by the hon. Minister. He has given the impression to the House that a lot of havoc has been created by black money. Now, my hon. friend the Minister represents the Government; he is the Minister in the Ministry of Finance, and he knows the problem May I know the basis of the Wanchoo Committee's statement that the amount involved is Rs 3,000 to Rs 4,000 crores? What does this gap of Rs 1,000 crores mean? May I know the basis for calculating this Rs 3,000 crores and Rs 4,000 crores?

Secondly, it is all right to have legislation. It is very easy to make legislation and the legislation will be introduced and passed also. But the question which is very paramount before the country and before the Government and before the people is how to implement it and get the fruit The prices are going up, as has been very correctly pointed out, and imbalances are there . . .

MR. DEPUTY-SPEAKER Question please

SHRI R S. PANDEY: Black money has been created. It is a matter of demand and supply. On the one side, smuggling to the extent of crores of rupees is involved, and he has not been able to check this smuggling . .

MR DEPUTY-SPEAKER: What is his question?

SHRI R S. PANDEY. The question is this. Who is going to implement it? Can the hon. Minister take the House into confidence and say that there is going to be a time-bound programme and that by the end of 1974, that is, within two years from now, we are going to see that black money does not exist in this very country and in this very society Some sort of assurance on those lines is very essential in order to see that we remedy the situation, and we are no longer in this situation

MR DEPUTY-SPEAKER: This is the difficulty

SOME HON MEMBERS rose

MR DEPUTY-SPEAKER: Whenever the Chair wants to be a little accommodating, it falls into trouble. Shri Jyotirmoy Bosu has to reply to the debate. The hon Minister has spoken. Since Shri R. S Pandey was so eager, I thought I could be a little accommodating, and so. I had allowed him. But now I find that three or four other Members are standing

SHRI B P MAURYA This is the problem with every charming person.

SHRI BHAGWATA JHA AZAD (Bhagalpur): Without any introduction, may I put my question straight?.

MR. DEPUTY-SPEAKER: I cannot discriminate, but I see only four more Members standing. If the other Members agree, I shall allow them I see only four more Members standing up, namely Shri Bhagwat Jha Azad, Shri Shyamnandan Mishra, Shri S M Banerjee and Shri N K. Sanghi.

If more stand up, then I will not be able to accommodate them

AN HON. MEMBER: Half a question.

MR. DEPUTY-SPEAKER: No please. If you all agree, if there is this gentleman's agreement . . .

SOME HON. MEMBERS: Yes, yes.

MR. DEPUTY-SPEAKER: . . . then we can have it. This is because of my weakness in accommodating them. Only four I will allow; otherwise, I will not allow them.

SHRI B. P. MAURYA: Half a question.

MR. DEPUTY-SPEAKER: No please. If you do not agree to confine only to these four then I will not allow them because it becomes very difficult; the whole thing becomes another debate within a debate.

SHRI B. P. MAURYA: Make it five.

MR. DEPUTY-SPEAKER: No, no. Shri Banerjee. Not a speech please.

SHRI S. M. BANERJEE (Kanpur): If have followed the hon. Minister correctly, he said Government is not in a position to announce demonetisation immediately, for reasons better known to them. On the other hand, the hon. Minister said that Government would like to introduce legislation . . .

MR. DEPUTY-SPEAKER: Question?

SHRI S. M. BANERJEE: . . . to check black money. In the meantime, what concrete steps will be taken by Government to see that black money is not converted into white money?

SHRI BHAGWAT JHA AZAD: While appreciating the hon. Minister's remark that these people should be treated like ordinary criminals, are the laws now on the statute book not enough to get hold of these culprits? If they are not, do Government propose to bring new legislation? Or is Government helpless in this? What are the reasons for not bringing them to book even though in spite of the nice sentiments expressed by the hon. Minister?

SHRI SHYAMNANDAN MISHRA (Begusarai): The hon. Minister was pleased to say that if the instruments of seizure and prosecution were used with determination, this evil of black money could be eradicated. Firstly, I want to know whether these instruments are to be wielded by the Opposition or by the Chair. These instruments have to be wielded by the Government itself. Why has Government not wielded these instruments in the past? Why is it that it is not wielding these instruments at present? And what does it propose to do about it?

SHRI N. K. SANGHI (Jalore): From statements and replies to questions in this House from time to time, we know that there is a large amount of arrears and most of these cases are long pending in the High Courts and the Supreme Court. May I know if something is going to be devised to see that the High Courts and the Supreme Courts decide tax matters on a very top priority basis so that unnecessary delay is avoided and evasion of tax is checked or checked? reduced?

श्री बी० पी० मौर्य : जब से वांचू कमीशन बैठा है, उसके बाद बीच में इन्टैरिम रिपोर्ट आई उस के बाद फाइनल रिपोर्ट आई और फिर आज इस सदन में चर्चा हो रही है । मैं जानना चाहता हूं कि इस दौरान काला धन बढ़ा है या घटा है ? अगर बढ़ा है तो उसके आंकड़े सरकार किस प्रकार निकालती है और यदि घटा है तो उसके आंकड़े सरकार किस प्रकार निकालती है ?

SHRI K. R. GANESH: In reply to Shri Banerjee's first question, I say that I have already indicated that vigorous steps have already been taken. Apart from the recommendations of the Wanchoo Committee, vigorous steps have been taken by us. The entire Direct Taxes Board organisation has been streamlined. Tax recovery has been made a part of the job of the Department and not of the State Governments, as it was formerly. More and more recourse is taken to seizure and prosecutions. That is why arrears have been reduced, about which I have given figures from time to time.

Shri Azad asked about the inadequacy of laws. I would only give him some facts. The number of writs

pending under art. 226 as on 31-3-72 was 3,067. The number of writs disposed of during the period of 1-10-71 to 31-3-72 was 1,514.

Now, these are some of the difficulties because of the system we have; because of the fundamental guarantees which the assessees have got under article 226 and so on, it is possible for the richer assessees to go to the high courts and at every stage of assessment, they go on contesting this, at the stage of the Appellate Assistant Commissioner, and then at the tribunal, and then, they go to the high courts on a question of law, and over and above this, they use even article 226. This is one aspect of the matter. Like that, we have cases pending in various courts.

About the question of the attitude of the courts to prosecution, it has been our experience that courts have been taking a very lenient view as far as these crimes are concerned. Even in cases where lakhs have been involved, either of evasion or avoidance of various forms, the persons have been very lightly let off, and in this regard, the recommendations of the Law Commission to deal with social crimes, and to have special courts, when acceptable to the Government, will go a long way in strengthening the hands of the instrument which we have and then to see that a vigorous drive of assessment and prosecution is carried out with determination, and whatever legal channels we have got they will be employed and the loopholes plugged.

The hon Member mentioned, while the Opposition was not in power and the Government has been in power. He has not been in this chair. I have tried to give these facts, and we have been making very earnest attempts during the last couple of years to see that arears are reduced and to see that the various rackets like the lotteries, architects in Delhi, like the question of Hundi rackets, the question of verification of the cinema industry—all these.... (*Interruptions*). We caught some architects. (*Interruptions*).

AN HON. MEMBER: Piloo Mody.

SHRI K R. GANESH: Valuers; I am sorry. So, in recent days there has been a determination in this regard The only answer which I would like to give to Mr Shyamnandan Mishra is, he has been out of power only for the last two or three years, during the last two or three years when his party was defeated, and he was so much in power before, and his politics is the *status quo*. (*Interruptions*) His politics is *status quo*.

SHRI SHYAMNANDAN MISHRA: Sir, a point of order. He must judge this question on merits. This kind of harangue is no good. That is my point of order. I had asked a definite question. I cannot put up with a harangue of this kind

SHRI K. R GANESH: You are not made of something different. If I can listen to your harangue, I can also harangue. We have to learn harangue from there

SHRI SHYAMNANDAN MISHRA: I seek your protection, Sir

SHRI K R GANESH: You are not a privileged person Have thick skin (*Interruptions*)

MR. DEPUTY-SPEAKER: The only answer is that the Members are free to draw their own conclusions from the harangue.

SHRI K R GANESH. About the hon. Member Shri Sanghi's question about high courts and the Supreme Court, I have already mentioned about it, that it is a difficult problem which we have.

SHRI VASANT SATHE (Akola): Separate Bench; courts.

SHRI K. R. GANESH: That is the recommendation of the Wanchoo Committee, and when the Government accepts it, it will go a long way, I think, to solve this problem.

श्री बी० पी० मौर्य : वांचू कमीशन जब से बैठा है, उसके बाद बीच में इन्टैरिम रिपोर्ट आई, उसके बाद फाइनल रिपोर्ट आई और फिर आज इस सदन में चर्चा हो रही है । मैं जानना चाहता हूं कि इस दौरान में काला धन बढ़ा है या घटा है ? अगर बढ़ा है तो उस के आंकड़े किस प्रकार

[श्री बी०पी० मौर्य]

सरकार निकालती है और यदि घटा है तो उसके आकड़े किस प्रकार निकालती है ?

MR. DEPUTY-SPEAKER. He has followed you That is clear now.

SHRI K R GANESH: It is difficult to answer that question. All that I can say is that the improvement in the collection, in the realisation of tax arrears, the various seizures made, various prosecutions launched—by all this an impact has been created which will in its own way directly and indirectly affect the question of black money and tax evasion

SHRI JYOTIRMOY BOSU. Sir, you will appreciate that have to meet the points that took no less than several hours

MR. DEPUTY-SPEAKER. You can meet the points, only you cannot respect what you said on the last occasion

SHRI JYOTIRMOY BOSU I never do

MR DEPUTY-SPEAKER. You will not.

SHRI JYOTIRMOY BOSU As provided for under rule 358(3) the hon Minister may choose to reply again to my queries

I am rather surprised that the Finance Minister, although in town, had chosen to remain away. But as I have heard from these telephone calls, he has been prevented from facing the House on the issue of the Wanchoo Commission

SHRI K. R. GANESH: Please permit me, Sir, to record my protest against this accusation It is not correct.

SHRI JYOTIRMOY BOSU: May I go a little further arising out of what the hon Minister has said? On saturday Mr Raj Bahadur came rushing to me, saying I would like you to take up Wanchoo Committee report today. I agreed. I got my air ticket cancelled Then came the Deputy Chief Whip rusing in saying, no, it cannot be done; Mr Ganesh has gone to Madras. I said: what about Mr Chavan? He said: No, he cannot do this . . . (*Interruptions*)

SHRI K R. GANESH. Be honest, you know it is not correct, he did not say so (*Interruptions*)

SHRI R. S. PANDEY: Mr. Y. B. Chavan is dealing with important questions of black money. He is dealing with this matter in the House here. What does it matter whether Mr Chavan is here or not?

SHRI JYOTIRMOY BOSU. Today, I must confess, that on the pretext of making an appointment with Mr Chavan I just now phoned up to make sure he was in town. He is very much in town, but not in the House to face up to this basic problem I am not going into that. I am not saying he is not trusted; I am not saying there is a crisis in the Cabinet But the House has a right to know why the Finance Minister, although in town, on two consecutive days had chosen to remain absent, does not face the House on such a critical issue as black money

I also want to ask my copy of the report laid on the Table of the House and accepted in para 756 of the Bulletin was sent to the Ministry of Finance, I was informed by your secretariat, for scrutiny and examination They had kept it for ten days I shall be entitled to know what their reaction is on that If they keep silent I shall certainly draw my own conclusion and the whole House will be quite right in drawing the conclusion that the report is genuine

I go further, why Mr Chavan is not facing the House My information is that after the 1972 elections, demonetisation was more or less accepted by a section in the Cabinet and currencies were printed and they are lying—that is my information. But I am told that the Prime Minister did not give it clearance and therefore the printed currency remains in some vault, somewhere .

THE MINISTER OF PARLIAMENTARY AFFAIRS AND SHIPPING AND TRANSPORT (SHRI RAJ BAHADUR): Preposterous absured. . . (*Interruptions*).

SHRI JYOTIRMOY BOSU: I am saying this on my own responsibility. Mr. Ganesh claims to be an intelligent man, a trusted person by the Prime Minister. Mr Ganesh has read Marxism I do not wish to carry coal to Newcastle I shall say a few things. . . . (*Interruptions*). The Minister disturbs me. I can easily retort. Does he not understand my language? He can learn; that will help him. What Mr Ganesh has said reminds me of an English idiom. empty vessels sound much He has not touched the subject at all. He talked about the rule of the thumb; I shall give a detailed reply to each and every point raised by all the hon Members of the House.

MR. DEPUTY-SPEAKER Judged by the high decibels, you sound louder'

SHRI JYOTIRMOY BOSU: My old father, who was responsible for showing me light in this world may be able to answer that

Mi Ganesh talked about the rule of the thumb, about the Congress Party taking money, etc I can narrate the roll of honours before the House for the last 25 years. Abu, the famous cartoonist, has shown how to turn black money into white: "Wrap it in a piece of khadi and it is white" Mr Abu in no CPM member or socialist But that is the answer to Mr Ganesh Today we have got a bunch of UP MLAs meeting the Prime Minister with charges of corruption against the Chief Minister. This afternoon this fabulous FCI corruption will be resounding from every corner of the House. This is the glorious Congress attitude towards life and purity.

Mr. Ganesh has claimed that the Government informed this House about the interim report and their decision that they would not demonetise. This is wholly untrue I had hit them hard during the Finance Bill discussion and then Mr. Chavan was forced to confess that there was an interim report. I gave extracts from my possession and he had to accept it. I had never said that the Wanchoo Committee's final report is good. I have not expressed my appreciation of it: I have criticised many things in it. But the interim report certainly would have helped, had it been implemented in time 1½ years ago, when a considerable portion of the black money was in the shape of currency and other items you can lay your hands on. I must say with great sorrow that the intelligence people are harassing my friends as to wherefrom. I got the Wanchoo Committee report. My telephone, my house, everything is under constant watch, all the 24 hours Parliamentary life is becoming impossible because of this police State

Mr Ganesh has misled the House—I am charging him here. He talked about the great vigour in tax realisation But the Reserve Bank study says

> "Contrary to the general impression about rising tax burden on the corporate sector, tax provisions in relation to pretax profits has shown a steady decline during the past five years from 1965-66 to 1970-71."

The Minister has the courage to mislead this House—I do not want to use the word "cheat" The study covers 290 large public limited companies. The conclusions are that while manufacturing costs as a proportion of the value of output remain by and large unchanged at about 55 per cent, wage costs declined considerably. It shows that they are making money but the Government's tax realisation is going down and the workers are getting less money What is he waxing eloquent upon? Is he not trying to carry coal to Newcastle?

He talked about searches. We have to bear with these people who are constantly delivering unmixed untruth on the floor of this House, thinking that they are the only knowledgeable people. They have a big kitchen to cook curries, we know. But we also burn our candles to read things May I refer to the *Economic and Political Weekly*? According to that weekly, during 1968-69 the number of successful searches is 79, number of prosecutions launched 31 and number of convictions 7.

[Shri Jyotirmoy Bosu]

During 1969-70 the number of successful searches is 169, the prosecutions launched 27 (while in the previous year it was about 45 per cent, here it is barely 24 per cent) and the number of convictions is 6 out of 169 (as against 7 out of 70). There is a saying in German which means "you are doing wonderfully well" and I say that to Shri Ganesh.

I have talked about the Reserve Bank Survey Report to show that the collection of tax from the corporate sector has gone down. I have talked about the wage reduction. I have not read the Interim Report, because you have not allowed it. If they had done in time what the Committee had recommended, they would have done some service to the country. But they did not because if they do that, then they would have no legs to stand on. Because, as I have said again and again, the present leader of the party and the party itself survive on blackmoney. Without black money the party would not move an inch, cannto survive for a day.

This Committee was chosen and constituted by the government, not by us. Now they are saying that the recommendations are not good enough because they do not suit their purpose. The real recommendations contained in the interim report had to be shielded. They were even asked to destroy or withdraw the report. I am glad they showed courage and did not do it.

MR. DEPUTY-SPEAKER: You are repeating yourself now

SHRI JYOTIRMOY BOSU: Sir, your memory is very good. I assure you there will be no more repetition, however sharp your memory may be, because my flaggings are dated.

I reiterate that demonetisation is not the only remedy. Professor Kaldor suggested a single comprehensive return, a self-checking system of taxation and an automatic reporting system. He said that he considers these the most important requirements from the point of administrative efficiency. Then he says that an integrated and consolidated tax system would have brought them Rs. 100 crores of extra taxes. That was scuttled by the former Finance Minister, Shri T. T. Krishnamachari. I tell you that he did not go out for charges of corruption. In 1957 he divided the whole tax structure into four portions and then the expenditure tax was suddenly discontinued, surely not under the pressure of the working class but under the pressure of all those who have colossal expenditure, your friends. I will say that the expenditure tax should be revived.

I have suggested demonetisation and other measures. I do not wish to repeat them. Government must sincerely seek people's co-operation. But the Prime Minister, Shrimati Indira Gandhi, and her government with the class character that it has is a government of the black money by the black money for the black money. This is the outcome of the capitalist system of development. I hope I am not carrying coal to Newcastle. In their class interest they have created black money and so they want it to be retained.

The scheme of voluntary declaration which was introduced did not work.

This is what the *Economic and Political Weekly says*:

> "A Committee which ranked the prevalence of high tax rates "as the first and foremost" cause of evasion could have done better homework on the subject before making a definitive recommendation for the reduction of the present income-tax rates applying to the higher ranges of income . . . "

So, the scheme of voluntary disclosures did not work at all.

The "Trusts" are another source of havoc, one of the biggest outlets, one of the biggest sources, of tax evasion. But the Government is silent about it.

Again, I say, you implement the Interim Report, the measures suggested therein and leave the wrong path. Otherwise, there will be people's upsurge and you will not be able to survive.

Since 1971, since the time Mrs. Indira Gandhi has assumed absolute power in the country, do you know the number of shootings and firings that have been going on in the States? If you compare them with the figures when Congress forces have been dominating the States, 1967-69, it is quite a different picture. I am saying it on my own responsibility.

Then, Mr. Ganesh has said that bank credit will be denied to those who evade taxes. May I get a confirmation from him here and now that the Government is going to implement that or would it just be a pious narration and nothing will be done? After I have finished, Mr. Ganesh should say whether the Government is going to accept that recommendation, that those who have been caught evading taxes will be denied the bank credit. We want to hear it right now.

Then, Sir, Mr. Ganesh said in the Rajya Sabha that the Interim Report by its very nature was meant for the consideration of the Government only. I ask: Is it not a fact that all reports have the same character that they go to the Government for consideration?

I am surprised, even the Cabinet Ministers were kept in darkness about the Interim Report Dr. V. K. R. V. Rao who was the Cabinet Minister at that time has, more or less, confessed in his speech. I can tell now here and now, that out of 200 copies that were cyclostyled, 20 copies have gone to persons who have been either Ministers then or now because they had not seen the contents of the report. That is the position.

What is the havoc this black money is playing? I raised the issue, this morning, of Shaw Wallace Co. and black money going out of the country in terms of foreign exchange and all that. Money is being hidden in banks in Tangiers, in Hong Kong, in Basle, in Switzerland. What happens then? On the one hand, the Swiss banks keep black money in Coded Accounts nos. and, on the other hand, allow them a white overdraft in foreign exchange. This is what is happening. I have worked next-door to R. G. Shaw Co. for years. They have handed over their shares to Duncan Brothers' counterparts in London, Duncan Goodrick Co. On what considerations? The consideration was money through back-door foreign exchange, that is, "How much you want to pay, 30 rupees a pound or 40 rupees a dollar?" And in a matter of second, it would be procured. This has been only possible because of Rs. 7,500 crores black money, There is no other reason.

Mr. Ganesh, don't behave like an ostrich. You think, if you side your head in sand, nobody can see you. This news came in the *Economic and Political Weekly* day before yesterday. If I am to take that Mr. Ganesh, the great knowledgeable man, the Minister of State in the Ministry of Finance, does not read this paper, I have really no answer to give.

Then I come to one of two other items. Prof. V. K. R. V. Rao is an eminent scholar, a well known professor In fact, I attache more importance to his speech than what came out from that side. He is not here. He has requested me to send to him a copy of my speech in reply to this My very dear and respected Dr. V. K R. V. Rao, when he came to planning as the Planning Minister, forgot planning and economics; when he came to Education, he forgot education, and illiteracy increased. What does this report say? There are as many as 33 districts with a total population of 32.07 million where the literacy percentage is less than 15, after 25 years of the golden rule of Congress. Then he came to Transport. We have been asking: have you got a national, integrated transport policy? No. Dr. V K. R. V. Rao was there. I do not want to repeat that he was one of those who opposed bank nationalisation I do not want to go into that I shall deal with the subject, what he has tried to say. He has said that demonetisation is not the remedy May I ask Dr. Rao or his colleagues in his Party here: what then is the remedy?

Then he said that Government would take time to take the decision. I do not know for Government, how many seconds make a minute and how many minutes make an hour. What is the average living age of an

[Shri Jyotirmoy Bosu]

Indian? I think, it is one of the lowest in the world. From 12 November, 1970 they sat over it; they kept the document in a sealed cover in the Ministry of Finance. I do not know whether Mr. Patel had a duplicate key and when he retired, he took out one. The thing was rotting there. They talk that they would implement, Like land reforms gimmick, demonetisation gimmick may be done. In the meantime, people have been cautioned. There is rush in the Bombay Diamond. market. Properties are being sold and bought very briskly and quickly. Bosu is after a mischief for the good men in the country. Government have been unable to prevent him; therefore, quickly make your immovable property into movable property and movable property into immovable property and adjust the things! That is what it is. I have replied to this. The results of previous demonetisation have been very nicely put by somebody here.

Then Dr. V. K. R. V. Rao said: how can you touch the ten-rupee notes. Did he lose sight of the fact conveniently that ten-rupee currency is one-third of the total currency that is in circulation. If you leave the ten-rupee currency untouched, then you have done the job half way. I do not understand what happened to Dr. V. K. R. V. Rao. Was he under the party whip or has he been offered something, I do not know. Dr. V. K. R. V. Rao was off his guard at that moment when he confessed that he did not know anything about the report. He was a Minister. In his emotions he forgot that he was a sitting Cabinet Minister on 12th November 1970. And a report like this has to come before the entire Cabinet. You do not allow the Deputy Minister to enter the room; you make him sit behind the Cabinet Secretary who has a higher position in the warrant of precedence. I am not talking about that. The question is that, as a Cabinet Minister, this gentleman did not know that such a report was submitted. I understand his tears for the rural rich. He said that the people in the rural areas would be harassed Very useful tears are being shed for the rural rich—the steel frame of the Congress elite.

Well, Dr. Rao has done a service which must be recognised by the leadership on the other side. I am talking about the primary teachers facing difficulty in changing their currency notes. But Dr. Rao is a Professor graduated from the Cambridge University, so on and so forth. He does not know that a primary teacher in certain cases does not draw even more than Rs. 115 and that will not allow him to go more than a week in a month and Dr. Rao is talking about the surplus hoarded wealth of a primary teacher. Sir, I hang my head in shame after hearing this from a man who has been in education.

I say, they resisted demonetisation, they resisted publication of the interim report, purely in the interest of self-preservation, nothing but that Dr. Rao said this Rs. 7,000 crores issue is a fly. He said it is a fly. It should be. I was made to feel that I have thrown pearls before swans and, in that context, Dr. Rao, I am sorry to say this, twisted when I demanded demonetisation, that Rs. 7,000 crores is black money when the currency is Rs. 4,200 crores when I did tell him that I am saying Rs 7,000 crores is black money wealth. Wealth does not mean currency only. Dr. Rao tried to hit me below the belt and win the case. I am sorry for that.

Dr Rao was not talking through the back of his hat. He talked about giving cheques at all counters. Well, Mr. Piloo Mody had said that he will give cheques at the railway counters and buy a third class ticket for his companion from Delhi to Bombay. 'If the cheque bounces, I will give another cheque'. Let that be. I say Dr. Rao is talking through the back of his hat. Sir, let us see now what is the growth of banking.

I will give the figures for 1951, 1961, 1967, 1968, 1969. I am giving the population over a lakh, number of places, the number of offices (total) in the country.

In 1951 it was 1537 and after this glorious reign of 25 years it has come to 3,220. I am talking about . . . (*Interruptions*) Who is going to cash Dr. Rao's cheque and where will it be cashed?

May I tell you one incident? I had a State Bank Traveller's cheque for Rs. 100. I went to a nationalised bank to get hundred rupees. The Manager said, 'What is this?' I said 'It is a traveller's cheque'. He said, 'We do not deal in traveller's cheques'. I then thought Dr. Rao is living in a fool's paradise when he expects that people will deal through cheques and bank orders. . . (*Interruptions*).

He is a good boy, but only in bad company. Dr. Rao has conveniently forgotten in his midsummer dream that he was living in a fool's paradise. He talked through the back of his hat. He talked about things which have no basis at all. But he had to make a case because they are suffering from a decadence. They cannot produce somebody who can really talk substance. I am very sorry to say this. But, what has happened? The black money has pushed the white money out of circulation. The Finance Minister had confessed time and again, 'There is a parallel economy running in the country' and white money in most of the places is powerless.

I talked about cheques. I talked about banking. I do not wish to say much. All I wish to say is that Dr. Rao very conveniently forgot the basic thing—about tax evasion. Cost account audit. Inflated cost of production and deflated sales revenue is the basis of evasion. How can you check it? For that, you should go in for cost account audit. I have written to the Prime Minister for the last five years, 'Why don't you go in for cost account audit, if you mean business?' Either there is no reply or the reply is in the negative. We talk about doing away with licences. Wonderful. If Dr. Rao goes on saying that he may be expelled by his Party because it survives on licences. We believe in nationalisation. We believe in controls. We believe in licences. But we do not believe in collecting money in exchange for licences. We do not believe in collecting money through controls. But that is their *modus operandi*. (*Interruptions*)

Dr. Rao talked about registers in hotels and resturants. This Mr. R. P. Goenka, after the last election, had given a victory party at the Claridges Hotel where he started saying, while drinking the toast, 'The victory is ours'. I am told that the bill was a fraction, a very small Rs. 35,000. Let us see the books of accounts of Shri R. P. Goenka. This is all that I want to say. I talked about corruption. Have we forgotten about the case of Mr. Krishnamachari? Have we forgotten about the case of the late Mr. Bakshi Ghulam Mohammad? Have we forgotten about the case of the Orissa Congress Chief Minister? Have we forgotten about Pratap Singh Kairon. There are various rolls of honour. Have we forgotten all of them? And then what about Mr. Bansilal? There have been so many cases. The CBI is an instrument of black-mailing; they have two types of cases, one the registered variety and the other, the unregistered variety. I know of one Director of CBI who told his friend, I have been told by a very high-up in the Cabinet, the lady, report it to me and not to the Home Minister. I will not mention the names. I will not go into the details. All I want to say is this (*Interruptions*).

SHRI K. P. UNNIKRISHNAN (Badagara): He can defend himself but he should not give any names. (*Interruptions*). He should not mention the names. .

MR. DEPUTY-SPEAKER: Well, is it in connection with this? (*Interruption*).

SHRI JYOTIRMOY BOSU: I have not told anything. Don't become a member of the *halla* party; Mr. Unnikrishnan you have come from. . (*Interruptions*).

Sir, I say this. They talked about corruption. This is the report of the Orissa Enquiry Commission, Justice Sarjoo Prasad Commission's report. It talked about corruption. It says:

> The fact that a man of the ability and calibre of Shri Mahtab who has held high offices and rendered many valuable services to the State should be found guilty of accepting illegal gratification in order to show favours to the kendu leaf contractors unmistakably

[Shri Jyotirmoy Bosu]

> indicates that there is some serious malaise in the body politic and the political system under which they are living.

Then it says:

> 'Shri Mahtab has of course been exposed but there may be many more in high places who have sufficiently enriched themselves and are still enjoying their positions of power and authority. Corruption, if it seeps from the top, rapidly contaminates the lower layers of our social and political life; and that is why we find it corroding and eating into the vitals of almost very phase of our social and political structure.'

All that I wanted to say, I have said, Sir. If the Government means business at all, they must implement the interim report of the Wanchoo Committee and also take the suggestions which have come from various good quarters about demonetisation.

Thank you.

MR. DEPUTY SPEAKER: Now we will take up discussion under Rule 193 on the working of the Food Corporation of India.

SHRI K. R. GANESH: Just a minute, Sir. I referred to the Delhi raid in which I first, said architects, then I said valuers. I would like to correct myself. There are 10 architects. The eleventh is coming.

SHRI INDRAJIT GUPTA: You have been named, Mr. Piloo Mody!

SHRI PILOO MODY: I may be permitted to refer to the last point that he mentioned. What is it between architects and valuers? There are some architects who work as valuers, in which case, we call them valuers, just like, when we have a planter working as Minister we call him a Minister. If he is a horse-ranger we will not call him a horse-ranger, we would call him, a Minister.

MR. DEPUTY SPEAKER: Anyway, we proceed to the next item. Shri Piloo Mody.

15.54 hrs.

DISCUSSION RE: WORKING OF FOOD CORPORATION OF INDIA.

SHRI PILOO MODY (GODHRA): Mr. Deputy Speaker, Sir, After having hetard Mr. Jyotirmoy Bosu talk about black money and how black money is generated, I feel, Sir, that of all the money unearthed in this debate—something like Rs. 6,000 to Rs. 7,000 crores,—a very substantial part of that must have emanated from the Food Corporation of India.

I have heard many fomous names this evening, like Shri T.T. Krishnamachari, like Bakshi Ghulam Mohammed, Shri Partap Singh Kairon, like Shri Hare Krishna Mahatab, like Goenka, like Morarka, like Mundhra, like the Balmer Lawrie scandal, the Shaw Wallace deal and all manner of other things. But all of these pale into insignificance when it comes to the Food Corporation of India swindle.

The Food Corporation of India has perhaps the largest turnover in the whole of Asia, namely Rs. 2000 crores; Rs. 2000 crores goes through the fingers of the coffers of the Food Corporation of India.

15.56 hrs.

SHRI K. N. TIWARY *in the Chair.*

Rs. 2000 cores; not even the Congress can dream of that much money; Rs. 2000 crores. Out of this Rs. 2000 crores, several crores of rupees have disappeard, evaporated, were stolen, were eaten, were rat-eaten, were infested leaked out: I do not know what. But out of Rs. 2000 crores, several crores have disappeared. After having collected all this information on the Food Corporation of India, I have only been able to discover and identify about Rs. 6 to 8 crores. If a person like me so far remote from the Food Corporation of India can identify only Rs. 6 to 8 crores, that has somehow disappeared, how many more crores must have gone, which is in the know of all these knowledgeable colleagues of mine sitting on and behind the Treasury Benches.

Having done all this, the fraud having come to light, we find that the

Chairman of the Food Corporation of India has been trying in one way or the other to whitewash his own image, which is something fantastic. This Government, particularly the Food Ministry, (I do not know whether I am addressing Shri Annasaheb Shinde or Shri F A Ahmed)—but I cannot understand it—have permitted the chairman of the Food Corporation of India to continue in office for the last so many weeks in spite of the fact that all this has come in the papers and it has been exposed here, and the Speaker of the Lok Sabha himself wrote to me to say that there had been ten questions answered here in this House, let alone as many as may have been answered in the Rajya Sabha, and he has been allowed to whitewash his own image by going around to the press and printing articles in newspapers going through a long list of every correspondent and every editor of the paper. All this at whose expense?

SHRI JYOTIRMOY BOSU (Diamond Harbour): Yours and mine.

SHRI PILOO MODY: At whose expense? I have here a letter that has been written, calling a press conference at the Akbar Hotel. I think it is too funny not to read, and with your permission, I shall read it. It is addressed to the Manager, Food and Beverages, and it says

> "The Chairman of the Food Corporation of India is arranging a press conference on 20th September, 1972 and is hosting a cocktail lunch.".

What is a cocktail lunch? You either have a lunch party or you have a cocktail party, but what is this cocktail lunch? Is he trying to give to these poor journalists a three-in-one, all in the middle of the day? Then, it says:

> "The number of participants will be from 45 to 50, 75 per cent non-vegetarian, 25 per cent vegetarian, with slight variation on either side. The arrangements for the lunch party may please be made on the following terms and conditions:—
>
> (1) The lunch will be buffet-cum-sitting at the rate of Rs. 30 per head".

If he had only brought them here or come here himself and fed them with the sandwiches that we eat day after day here, he could have fed the whole Lok Sabha for that amount of money, namely Rs. 30 per head; and the head of every journalist must be certainly very very valuable to be fed with Rs. 30 worth of Food. But this does not include what it has to be washed down with thereafter. Then, the letter goes on to say:

> "The hall will be decorated with pots, plants and flowers. Liquors, cigars and cigarettes will be required to be served. Only cashewnuts and wafers will be served with the drinks. Sales tax at 5 per cent, service tax at 10 per cent; and Permit L 22 is being obtained".

16 hrs.

Now, in order to entertain these journalists, for whom all of a sudden he has discovered great liking, he has had (a) to ask for permission from some authority of the Government of India or other that he be permitted to serve liquor. I do not know why it is necessary to ask Government whether you should or you should not be permitted to serve liquor. But this is the sort of police-controlled state we are living in, and even the Chairman of the Food Corporation of India has to comply with it. The only tragedy is that when he applies, he gets a permit and when I apply, I don't.

Then he has to apply to another authority to get special permission to increase the number of guests from the statutory minimum of 50. I do not know that there was a statutory minimum of 50. But naturally, when the Food Corporation of India with its budget of Rs. 2,000 crores has to entertain, it cannot possibly entertain less than 50 people; it has to entertain more. So special permission was also given to the Food Corporation of India to hold this great press conference at which the Chairman of the Food Corporation was going to whitewash his

[Shri Piloo Mody]

image by telling pressmen that he has been very innocent, he has been accepting only one rupee as regular salary for the whole year. Whereas the free house that goes with his one rupee costs Government and the Food Corporation, along with furniture and ancillaries, Rs. 44,000 a month. That is the rent that Shri Shinde or Shri Fakhruddin Ahmed—I do not know who has been paying on behalf of Sardar Iqbal Singh for the privilege of having given him a salary of only one rupee a year.

I would very much like to know—I am sorry that I am a little late because previously the income-tax officers were also listening to the proceedings —whether Sardar Iqbal Singh pays tax on this house rent that he is receiving because according to the law, as I understand it, he is supposed to. I would recommend to Shri Shinde that he finds out a little more about it. That is as far as the house goes.

Most of us get a permit from the Lok Sabha to buy a Fiat or a Hindustan. The Food Corporation of India has so many of its state transport cars, staff cars as they are called, and yet the Chairman can only go about in a luxury taxi, and an air-conditioned luxury taxi at that. And he makes—God knows why—50 trips to Fazilka alone I do not know what is there in Fazilka except perhaps that they have a small depot of the Food Corporation over there.

SHRI P K DEO (Kalahandi): That is his home town.

SHRI PILOO MODY: He has been making—God knows why—many trips to Bombay. I do not know why Bombay, because there seems to be no over abundance of food in Bombay, and therefore why an over-abundance of trips on the part of the Chairman.

Now, the pointed facts are that in every conceivable deal, dealing with every conceivable commodity whether it is buying, whether it is selling, whether it is under-selling, whether it is under-buying, whether it is a commission, whether it is transport, whether it is accommodation, whether it is anything connected with money, there has been a systemised working which a takes a rake-off on each and every operation of the Food Corporation of India. I have so many facts to disclose that even if I were to continue until 6 o' clock I would not be able to go through them all.

In one of these interviews that was given to the *Evening News*, in which a most fascinating and handsome photograph of the Chairman was published, he says that because I wanted to eradicate corruption and because I wanted to streamline the organisation, I have to move people around and this has created a great deal of resentment'.

Sir, it is a fact. He certainly moved a great many people around, but in what direction? In the direction of centralising of commercial transactions under the Chairman, himself. This is one singular reform that has been carried out in the last year or two this centralisation of commercial transactions dealing with the Food Corporation of India, all tenders, all sales, all purchases under the Chairman himself, and thereby I think he has really performed a masterpiece of centralising corruption.

Now, if anybody is interested in eliminating corruption from the Food Corporation of India he can leave all the other departments alone and concentrate only on the commercial department centralised under the Chairman of the Food Corporation.

Sir, just to give a little flavour and a taste of some of these deals, they really are—

MR. CHAIRMAN: Mr. Mody, it is a one-hour debate. I hope you will keep the time in mind.

SHRI PILOO MODY: I know it is a one-hour debate. I will take as much time as necessary and the rest of them will take the balance.

MR. CHAIRMAN: That will not be fair on your part.

Shri PILOO MODY: Take the question of mustard oil. Three unknown, unregistered people were allowed to submit tenders for a quality of mustard oil which does not exist; Agmark III, they call it. The market knows about Agmark I and Agmark II, but this tender was Agmark III, and the

tender was for Rs. 10 more than the market price of this. I do not know how many thousands of tonnes were bought in this manner, of an unknown grade of mustard oil.

AN HON. MEMBER: 70,000 tonnes.

SHRI PILOO MODY: Thank you. Take sugar. It is the same thing. Take the movement. I must tell you about this movement; in the name of the emergency, in the name of Bangladesh, in the name of refugees and in the name of war, the Food Corporation rushed to Assam and other destinations in Assam thousands and thousands of tonnes of foodgrains which were not demanded from them, which were not requested by them, and this entire operation was entrusted to Messrs Malout Transport Co. I do not know what this Malout means It must be some sort of composite. (*Interruptions*) The funy thing about this it takes actually only about Rs. 12 a bag to transport this grain from here to there. Nevertheless, Rs. 48, four times the commercial price of it was paid. Four times the amount: a fantastic amount. Mr. Fakhruddin Ahmed, I do not know where you are going, but this is primarily addressed to you. Four times the price was being paid. The rules are that when a transhipment takes place, the transport costs are to be paid at the other end. That means that they were paid by the Food Corporation in Gauhati, and these have to be by cross and order cheques according to the regulations. It just so happened that these cross and order cheques issued by Gauhati could be cashed at the Food Corporation of India's headquarters at Kanpur and turned into bearer cheques. So, these cross and order cheques will fill the requirements. Thereafter, Kanpur obliged and turned them into bearer cheques. It just happened, and it is quite possible in India, that at least 20 drivers are called Iqbal Singh. (*Interruptions*) At least 20 drivers are called Iqbal Singh, and cashed those cheques and all in different handwritings.

Then there is the question of wooden crates. The ceiling for crates is Rs. 20. No more for crates. But it was given for Rs. 21 to some systerious fellow from Punjab who turns up in Uttar Pradesh and opens up a shop over there. Just to go through there notes makes my heart bleed Then, 50,000 tonnes of maize were sold to starch manufacturers when the prevalent price in the market was Rs. 65—68, it was sold to Messrs. Anil Starch and Bharat Starch chemicals for something like Rs. 63.99. All of us have been trying to bring prices down but I do not think this is the place to start bringing the price down. Let us start providing food cheaply to all manner of people who really need it in drought and famine affected areas, and not to starch companies wherever they may be located.

There is centralisation of tender enquiries and opening global tenders in which all manner of fiddling goes on by allowing some tenders to be opened earlier and others being allowed to submit their tenders later, so that juggling of one sort or another can go on.

In addition to that, sales offices have been opened all over the country. I do not know what these sales offices do and each sales office, I am told, costs Rs. 30—40,000 It is amazing that something like 30—40 girls have been employed for the purpose of running these sales offices. Is it 300 or 400 girls? The Minister can clarify in his reply—*Interruptions*.) The present requirement is of 520.

SHRI VASANT SATHE (Akola): This is very cheap.

SHRI PILOO MODY: He has finally understood it. So many things have een happening. Promotions have been given to officers with retrospective effect, not once but twice. I do not want to carry on. In one word there is no conceivable activity in the Food Corporation of India in which the fullest use or exploitation has not been made for the purpose of draining that organisation of its vitality and efficacy.

Here is a very important thing about shelling of paddy. The current rate was 81 paise per quintal; the rate allowed was Rs. 2.25 paise per quintal.

[Shri Piloo Mody]

The current rate in Haryana is 61 paise per quintal. . . . (*Interruptions*) QTR. What does it mean? It is for shelling. It is in the shelling that you make the difference.

On the other hand, the Gujarat Government requested the Food Corporation of India to release some foodgrains so that they could bring down the price by distributing them through fair price shops and this is the quotation that the Gujarat Government were given: for gram Rs. 141.41 whereas the open market rate was Rs. 125—Rs. 138. The supply by the Food Corporation of India to other dealers in the States was at Rs. 80—130. In other words the Gujarat Government must be made to make up the differences that have been accruing on other deals Gram dal—Rs. 157 quoted to the Gujarat Government, open market price was Rs. 143—150; sold to traders of the Food Corporaton of India Rs. 118—143. Mung Dal price quoted to the Gujarat Government Rs. 251.62, open market price Rs. 193—230. Sold by the FCI to other dealers Rs. 205. Yet, they wanted Rs. 250 from the Gujarat Government.

In Orissa, in Balasore district. . .

MR. CHAIRMAN: You have taken twenty minutes; please conclude.

SHRI PILOO MODY: I shall take another five minutes; may be less.

Paddy is bought from the farmers over there at something like Rs. 50—55 and thereafter resold at Rs. 125. How can we possibly ever get grains which are absolutely basic for survival at anything like the prices at which they should be available?

In conclusion, I would like to point out that while Mr. Iqbal Singh had called a press conference at the Akbar Hotel to white-wash his own image, the Food Corporation had paid an advance of Rs. 4,000 to the Akbar Hotel to cover the cost. Unfortunately, the conference never took place, because the workers reached there before the Chairman and the Chairman thereafter was too afraid to go to the hotel, with the result that the press conference never took place. I would like to know, who is going to pay that Rs. 4,000 and whether any refund will be available.

AN HON. MEMBER: Mr. Mody is going to pay it.

SHRI PILOO MODY: I would be certainly happy to pay, because after all, people who make Rs. 6 crores in one year, and make all others look like amateurs, will not mind getting Rs. 4,000 from a poor man like me. I would be happy to donate that, so that you can live just a little better.

I believe that people who perform important tasks in the running of this country—and the Chairman of Food Corporation of India is certainly performing a very important task—should be given all the comforts that are necessary and commensurate with the performance. But there is a limit to the amount of money that can be taken away in this particular fashion. Therefore, I appeal to you to lay bare the facts that you have discovered. I know you have discovered some facts from the CBI enquiry you have conducted, from whom you have received a report. I would like to know from the Food Ministry and the Government of India why to this date Sardar Iqbal Singh has not been removed from the post that he occupies as Chairman of the Food Corporation of India, because I have it in my knowledge that he has already started tampering with the records in order to do whatever he can to white-wash himself.

SHRI SHYAM SUNDER MOHAPATRA (Balasore): Sir, Mr. Mody in his speech has referred to a gala cocktail party thrown in honour of the journalists. From my experience as public relations chief of a public undertaking, I can say that probably that was the best treatment to be meted out to the members of the fourth estate, because they are very dignified persons and it is the custom in every public undertaking. If we want to question it, we must question the entertainment guest item which all public undertakings have, under which they spend lakhs of rupees every year. Food Corporation is no exception to this.

The Food Corporation was created in 1964 when in the country there was economic instability. Government wanted to arrest prices and create buffer stocks to help the people. But it has happened that there is no buffer stock for three years, which is the cardinal aim of the Food Corporation. Whatever stock they have for the present year, the officers show it as buffer stock. I may be wrong, but these facts I have collected from the employees' association and the rival employees' association also. They are very particular about it. I am not going to pinpoint the arguments or counter-arguments on Mr. Iqbal Singh. In fact, I wanted to locate him because I wanted to clarify some of the points I looked at every turban and every beard, but I could not find him

I want to place before the House one fact "Gunny bags scandal! Thy name is FCI!" There is enough scandal involved in it. The Food Corporation gives free gunny bags to millears, traders and businessmen. The cost of each gunny bag is Rs. 3.50 and it goes to the black market.

The FCI purchase gunny bags worth Rs. 25 crores to 31 crores. Here is a resolution of the employees' association which says that the gunny bags are sold not only in India but also outside India whore a gunny bag costs Rs 7. The resolution says:

> There is scope to believe that under the table heavy deals continued to be made at high levels while ships are shifted from one port to another causing bunching of ships in some ports while some go without any work, thus making the whole game of collusion with contractor's agents, stevedores and middlemen The shippers get scope to smuggle out of the country gunny bags and sell them there at double the price quoted here."

The employees' association, which represent 20,000 employees of the Food Corporation, passed this resolution in April at their Bangalore session, and we cannot close our eyes certainly to this aspect.

I have come to know that only in the last week of June 2,000 tonnes of wheat had to be carried from one port of India to Assam by air. I asked one airline official what would be the expenditure incurred and he said "more than one crore of rupees". I want to know who is responsible for this, the Chairman, the Managing Director or any other official. If there is any inquiry by the CBI, or any other inquiry, it should not be limited to the affairs of the Chairman but should cover the entire machmery, a machinery which has been corrupt for the last so many years. Whatever may be the status of the Managing Director, ICS or IAS, whatever may, be the status of the Purchase Officer of the FCI, every deal entered into by these people should be inquired into.

Today one employee came and told me that a contractor who is building a house for the FCI is also building a house for a big officer of the FCI

SHRI S A KADER (Bombay Central South): Who is responsible for this?

SHRI SHYAM SUNDER MOHAPATRA. The responsibility lies on the government which is giving place to people who are corrupt. I have no doubt that both Shri F. A Ahmed and Shri Shinde very experienced and dynamic as they are, will certainly go into the affairs and leave no stone unturned to find out corruption, wherever it exists, and root it out.

As far as Wallace Floor Mills and Anil Starch are concerned, the purchases were as follows:

1968 .	30,000	tonnes of maize
1969	25 000	"
1970 . .	20,000	"
1971	25,000	"
1972	50,000	"

All these years it has been done on negotiated tender Probably only this years it has been stopped. What do

[Shri Shyam Sunder Moha-putra]

you mean by negotiated tender? Probably there was no advertisement in the lowest tender was not accepted, probably there was no advertisement in the newspapers in India or perhaps the sanctity of the tender was violated. Wherever there is negotiation, there is likelihood of corruption. The hon. Minister must go into it.

I have come to know that Messrs. H. K. Dave & Company got a transport and stevedoring contract in Gujarat. Junior officers were sent because if the senior officers were sent they would have certainly found out the irregularities. The FCI could not find any alternative agent. So, the same party was again entrusted with the agency system for transport of goodgrains from Kandla to Ahmedabad, Bhavanagar to Ahmedabad and Jamnagar to Ahmedabad. I hope this will be gone into.

There is another form of corruption and that is the moisture in the grain. Whenever wheat is supplied to the millers 15 per cent is the moisture gain allowed to the millers. But what about wheat that comes from dry areas? It is only five per cent there. But ten per cent was allowed which amounts to more than Rs. 25 crores. which has gone to the coffers of the corrupt officials of the FCI.

I come from Orissa. I pass through Calcutta Railway station. When I was passing through Calcutta once, one FCI officer told me that there is a scandal in the railway siding at Ramakrishnapur. When I asked him the details he said that instead of delivering the food supplies from the FCI depots after proper weighment, the FCI allowed the millers to go and take delivery *ex godown*. That means that there was no FCI officer when the weight was taken and it was left entirely to the millers and the business community Now they are demanding more. FCI says the weight is so much while the millers say the weight is something else. So, there is corruption to the tune of Rs. 70 lakhs. We have to bow our heads in shame that through this public corporation Rs. 16 crores has gone down the gutters and history will never excuse those people who are manning today the FCI.

The FCI has 40,000 employees. There are direct recruits, Central Food Ministry transferees, State Government deputationists, deputationists turned absorbees, State cadre officers, members of the All India services, pay and accounts office employees and employees of the private sector.

It is an organisation of so many people and that is why there is no division of responsibility and there is division of allegience also. The Chairman has withdrawn recognition of one Association which represents 15,000 employees. A few dissidents have now come out and they are blaming the Chairman. I understand, these people were henchmen of the Chairman. Suddenly they staged a *dharna* before the Prime Minister. They are now going round saying. "That is what; that is what." If the Chairman or the Managing Director does not talk across the table with the employees, how can they solve the matter? The matter now is that immediate recognition should be given to that Association and they should sit across the table.

Now, the position is that the employees have made the matter worse confounded. The employees are now going from door to door telling the people about corruption. The employees come to Members' houses; they go to press; they go everywhere saying, there is corruption. I want to say one thing. Within 11 month, Mr. Iqbal Singh has not eaten the entire money of F.C.I. It is a chain reaction starting from the very beginning of F.C.I. If Mr. Iqbal Singh is found guilty, such a lesson be given that no Chairman of any public sector undertaking in his life-time will ever commit this mistake.

Sir, I come from Ballasore district of Orissa. Last time, when I went to Orissa, I found in the paper that foodstuffs worth about Rs 30 lakhs had vanished from FCI godowns and other godowns. I was surprised. Ballasore district is in perpetual poverty. The people are dying without food. There was cyclone; there was flood and there was drought. Now, after inquiring into two godowns, they

found foodstuffs worth Rs. 7 lakhs had gone away. I would like to give you some figures. A. B. Rice Mills-foodstuffs worth Rs. 2,34,000; D. C. Industries Rs 5,25,000; Mahavir Rice Mills—Rs. 5,13,000; Raghupati Rice Mills—Rs 2,64,000; D. C. Khandelwal—Rs. 62,250; Gopinath Swain—Rs. 1,00,000; Bharat Commercial Co.—Rs. 1,62,000; etc. etc.

This is a catalogue of details I have got according to which foodstuffs worth Rs. 30 lakhs have vanished. How can the foodstuffs vanish? The foodstuffs do not have their hands and legs to walk from Orissa to some other zone.

One Assistant Manager in FCI in Balliasore district superannuated in last June Orissa Government did not want to extend the period of his service. Someone higher-up came from Orissa and talked to the officers here and re-appointment was given to the same gentleman. On the issue of that particular man, his conduct and career, as to what he was doing, we fought two election in 1961 and in 1971 in Badrak constituency. The man became himself a symbol of corruption in our State This is the type of goings on in the F C I The man who was not given extension by Orissa Govrenment has been re-appomted by FCI. Who is responsible for that?

I submit there should be a thorough probe into the workings of FCI Let us not hold guilty only one man Let us know how many persons are involved in it and let us root out corruption once and for all.

SHRI JYOTIRMOY BOSU (Diamond Harbour): Sir, I want a ruling on one item that in the last few days, we have been facing vigorous lobbying in the Central Hall originating from a Chairman of the public sector corporation—may be, he is an ex-MP or an ex-Minister. I want to know from you how fair it is and why the public sector corporation Chairman takes advantage of his opportunity to enter the Central Hall and go on lobbying in favour or against. What surprised me most is that Ministers even phoned me, one sector wanting to give masala in favour and the other sector against. I do not know what is the reason. Whenever we get some material of this nature, that is always on outcome of internal feud I do not know about that.

But I want to ask this Mr. Iqbal Singh, our former colleague in the House, a pleasant man to talk to, well-mannered and polite, I have a feeling that he has overdone his job—the High Command's approval of depositing 12 anas out of a rupee that was collected for socialist purposes; perhaps he exceeded it by something, and then the trouble started. Congress starts with the letter 'C' and corruption also starts with the letter 'C' Congress stands for corruption (*Interruptions*) There is no doubt about it The FCI Chairman may be a small fry I will deal with the fountain head in a minute.

MR CHAIRMAN: May I request you to take the debate on to a higher level?

SHRI JYOTIRMOY BOSU: I am trying to go to the head of the fountain Why should I dwell on the bottom of the fountain where poor Iqbal Singh lives? I am talking about the top of the fountain-head of all corruption in the country This FCI scandal may surprise many, but not the people who are in the know of things How Mr Gokhale after getting clearance from the Prime Minister's secretariat, could buy Balmer Lawrie & Co., paying an excess amount of Rs 67 lakhs— a sinking company! (*Interruptions*) I am just saying that corruption is widespread.

In this well edited Economic and Political Weekly, it is said very nicely:

"To get rid of excess stocks the Corporation . " The Food Corporation of India

> " . . the Corporation, some time around 1970 hit upon the brilliant idea of organising open market sales The *modus operandi* to beat all, it thought, was to organise auctions in *mandis* and sell wheat and other grains to the highest bidder.

[Shri Jyotirmoy Bosu]

"The Chairman of the Food Corporation went on record as late as July that, given the size of the stocks he was holding, famines and droughts were things of the past. If prices would not behave, he would immediately enforce discipline by organising bigger and better open market sales of grains. The Chairman had been true to his word."

What I am trying to say is that it is a part of the big net, the big policy, the decisions to benefit a particular class and thereby get benefit to further their political cause. This man—the whole thing—has suddenly come out! He was one in hundreds. That is all that I want to say. I have stated many times here about Tulsian of Karnatak Corporation, the wool combers, B. K. Shaw of jeep scandal, R. P. Goenka, Bansilal and so many other things.

This Food Corporation Act is another ambiguous piece of document in order to grant political patronage of different types There are discriminations between Chairman. If he is whole time, then he will be enjoying a particular thing; if he is part time, he will not be entitled to those things. This is how they have been functioning. We cannot understand how Mr. Mohan Kumaramangalam was a part-time Chairman of the Indian Airlines Corporation, a public sector unit, and here you see Sardar Iqbal Singh—may he live long!—becomes a whole-time Chairman. We do not understand this. This anomaly must be cleared. We have seen about this Jute Corporation Chairman. The Minister was under pressure from Bengal politicians. The man who has never seen a jute plant is Chairman of the Jute Corporation We do not want to go into details. The FCI, as the class character of the Government is, has been the paradise of middle-men. So also Cotton Corporation, State Trading Corporation, etc. Poor farmers are robbed and the consumers are also robbed. The total turn-over in a year, I am told, is Rs. 1,600 crores.

The Public Undertakings Committee of this year has given some interesting observations. Storage losses increased to Rs. 21.96 crores upto 1971-72. Loss of foodgrains in transit goes up from Rs. 95 lakhs in 1965-66 to Rs. 7.80 crores in 1970-71. Subsidy from the Government for storage and other facilities—Rs. 69.98 crores. Outstandings from State Governments—Rs. 49.42 crores. Outstandings have risen from Rs. 33.60 lakhs in 1967 to 67.90 crores. That is the position with regard to this Food Corporation of India. Mr. Piloo Mody and the friend opposite, Mr. Mohapatra—next time he would not be given a ticket, I suppose—have dealt with it very well. Now, I quote some more figures. . .

MR. CHAIRMAN: Please do not attack your comrades.

SHRI JYOTIRMOY BOSU: Now, infructuous expenditure is 25 per cent—of the nation's money which could be utilised for development plans—it is all public money—it comes to Rs. 25 crores every year .By way of gunny bags each worth Rs. 3 and the flour mill owners who are making hay while the sun shines and they are the greater beneficiaries. These gunny bags are re-exported to Singapore and other places. They make foreign exchange which is preserved there for the purpose of smuggling gold It is always a transaction and Mr. Fakhruddin Ali Ahmed Saheb will understand these things, I hope. This is how you are encouraging these things. This is what is happening. Zonal imabalances in constructing storage depots, leakage, in national buffer stocks—these are known to all of us. The question is how to make quick money.

About the Mustard oil, Mr. Piloo Mody has already said— I do not wish to repeat it—that it is very strange that one Prasad & Co., order suppliers and Annapurna & Co. who are not even registered for the purpose of Sales Tax were given orders to purchase on a higher price. He had plundered the country's money. From the order file, I have been able to get a copy of the order and the order file where Mr. Iqbal Singh says about a deal and Mr. J. D. Bacha notes:

"As desired by the CCM the above information is also given."

Then, the Chairman's PA writes:

"With files for discussions with Chairman."

After discussion, then he writes:

"I discussed this case with the Chairman. He may now please see for orders on the request of M/s Bharat Starch Factory for reducing the rates at which we have sold maize to them."

Then the Chairman notes:

"We have sold maize @ 60.21 per quintal for delivery upto March, 1972. Since this party has also sent offer during the same period, stipulating same conditions and delivery, being a small scale unit—we should treat them at par with large scale units in providing raw materials.

We may, therefore, give to this party at the same rate of Rs. 60.21 with delivery upto March."

This is how he has been riding rough-shod and he has been doing this job like this.

Then about polythene bags deal. This is another scandal. There is one Calcutta Commercial Corporation where by manipulations they have been taking orders for polythene bags to the tune of Rs. 1.35 crores. I am told some people belonging to certain political parties had been deeply interested financially and materially in that company and there have been agents serving the party. Here, Sardarji is also a party. Wonderful thing. The amount involved is about Rs. 1.35 crores.

All this came out due to a factional fight, as I said before and different lobbies are working. So different things are coming out. We want to know—who said that? I think Napoleon once said, 'We must remember that the hand that rocks the cradle rules the world'. Sardar Iqbal Singh is sitting in the cradel, let us find out the hands that rock the cradle! I do not know what is the internal fight that is going on, somebody else wanting to replace his chair. I can see a particular section working vigorously saying that he is very bad and another section saying that he is a very good man. We understand that these have come out because of internal factions, share of the booty. So we want a thorough probe into the whole matter.

I have read once about the Sarjoo Prasad Commission Report. They said that unless the fountain-head and the source of corruption at the highest level is tackled this will be of no use.

Finally, Sir, supporting what Mr. Mahapatra said, I demand that there must be a thorough probe into the whole affair immediately. Is it not a fact that Mr. Iqbal Singh, Chairman of the FCI had been collecting money for the political party to which he belongs and he had retained more than what he had been allowed to retain? These are very important points.

श्री दरबारा सिंह (होशियारपुर) : चेयरमैन साहब, मैं किसी को डिफ़ेंड करने के लिये नहीं खड़ा हुआ हूं, लेकिन एक जरूरी बात की तरफ मंत्री जी का ध्यान दिलाना चाहता हूँ, और वह यह कि सी० बी० आई० ने एक इनक्वायरी शरू की चैयरमैन के खिलाफ़, चार्जशीट क्या है, उसके जवाब को देखा कि नहीं, यह अलग बात है, पर मामला सी० बी० आई० को चला गया, अब तमाम फैक्ट्स उन के सामने चले गये। तो यहां शोर मचाने से क्या होगा ? आखिर उस की इनक्वायरी होनी है, और अगर ऐस्टेबलिश हो जाय कि करप्शन हुआ है तो ठीक बात है जिस आदमी ने गलत काम किया है, उसको सजा मिलनी चाहिये।

मैं इल्जामबाजी के साथ साथ कुछ और बातें आप के सामने कहना चाहता हूं, और वह यह कि ऐसा तो नहीं कि जैसे ऐवीडेंस दी जाती है अदालत में जा कर तो वहां सर्कम्सटेंशियल ऐवीडेंस भी होती है। कहीं ऐसा तो नहीं कि चेयरमन के नीचे बैठे हुए ब्यूरोक्रेट्स ने यह सब

[श्री दरबारा सिंह]

बवडर खड़ा किया हो । क्योंकि जिस तरह ब्यूरोक्रेट्स काम करते है उस को दुरुस्त करने के लिये चेयरमैन ने कुछ कदम उठाये हों और उस से नाराज हो कर यह सब मैनपुलेशन तो नहीं हो रहे है ? कहीं ऐसा तो नही है कि दरमियान की एजेन्सी को वर्तमान चेयरमैन ने निकाल दिया हो जिससे नाराज हो कर यह सब गड़बड़ घोटाला किया जा रहा हो । क्योंकि पहले नैकड् ग्रेन जो लिया जाता था वह कमीशन एजेन्ट्स की मार्फत लिया जाता था, लेकिन अब उस दरमियानी एजेन्सी को बन्द कर दिया गया और फूड कारपोरेशन सीधे फ़ार्मर से अब ग्रेन्स लेती है । सब उन्होंने ग्रेडिंग मशीन्स लगा दी है जो कि उनकी ग्रेडिन्ग करती है । इसकी वजह से इंस्पैक्टर द्वारा नाजायज पैसा लेने वाला सिस्टम बंद हो गया हो और इसलिये यह सब मैनपुलेशन हो रहा हो ।

पहले फूड ग्रेन्स जो खरीदा जाता था वह फ्लोअर मिल को वैसे ही बोरी सहित दिया जाता था, जिस बोरी की कीमत 3.50 पैसे होती है । उस बोरी की कीमत फ्लोअर मिल से वसूल नहीं करते थे । चेयरमैन ने इस सिस्टम को बन्द करने के लिए सरकार को लिखा जिस से सारे अधिकारी दुखी हो गये हों । जो 15, 15 साल तो बड़े बड़े घाघ कारपोरेशन में थे, जो सब चीजों को निगल जाते थे उन को ठीक करने के लिये चेयरमैन ने कदम उठाये, कहीं ऐसा तो नहीं है कि उन्होंने ही यह सब मैनपुलेशन किया हो । इसलिये मेरी सरकार से दरख्वास्त है कि उनका भी इंतजाम कीजिये जो 15, 15 साल से वहां बैठे हुए है ।

जैसा कि मैने पहले ही अर्ज किया, मै किसी को डिफंड करने के लिये यहां नहीं खड़ा हुआ हूं । अगर सरदार इकबाल सिंह मुल्लिम हैं तो उनको निकालना चाहिये । लेकिन इस के साथ यह बात भी है कि जो बड़े बड़े घाघ ह, ब्यूरोक्रेट्स हैं वह खाते जायें और उन के खिलाफ कोई सुनने वाला न हो, यह भी नहीं होना चाहिय मैं मिनिस्टर साहब से कहता हूं कि आप मेहरबानी करके अकेले चेयरमैन वाली बात ही सी० बी० आई० को न दीजिये, बल्कि उन अफसरों के मामले भी सी० बी० आई० को दीजिये जिन के खिलाफ़ इल्जामात हैं ताकि सब बातें मुकम्मल तौर से आपके सामने आ जायें कि कौन कहां खड़ा है ।

दो हजार करोड़ रुपये का यह ऐम्पायर फूड मिनिस्ट्री के नीचे है और वह जो काम करने वाले हैं वह कैसे करते है ? प्राइमेज क्यों हाई हो रहे हैं ? यह उन्होंने ही कहा है जो ऐसोसिएशन वाले मेम्बरन्डम को देने वाले हैं । उन के खिलाफ भी मुकदमे चल रहे है, लेकिन मैं उन की तरफ नही जाता । जो सत्याग्रह हो रहा है वह कोई फोर्थ क्लास के सर्वेन्ट्स नही करते हैं, वह तो सेकेन्ड क्लास के सर्वेन्ट्स है जो हजारों रुपया तन्खवाह वाले हैं । वह आ कर प्राइम मिनिस्टर साहब के सामने बैठे हैं । वह नही बैठे है जिन को पूरी तरह से रोटी नही मिलती है खाने के लिये । वह लोग लड़ रहे है जिन के पेट पहले से भरे हुए है । (व्यवधान) मैं अर्ज करना चाहता हूं कि वह पहुंचते किस के पास है । वह उन के पास पहुंचते हैं जिन को मार्केट से निकाल दिया गया है । किसान जो है वह अपने तमाम अनाज को मार्केट में सरकार को या एफ० सी० आई० को दे दे और दर्मयान के जो आदमी है, कमीशन एजेंट उनको निकाल दिया जाये । सारे देश में जो कमीशन एजेंट हैं उन की क्या राय है और यह काम कैसे होने लगा है, जरा इसकी भी सफाई हो जानी चाहिये । मुझ को न किसी से मुहब्बत है और न किसी से नफरत है । मैं आपकी मार्फत एक बात कहना चाहता हूं कि आप इस की शिपिटंग एन्क्वायरी करायें हम इंटेग्रिटी के आदमी चाहते है, बेईमान को नहीं चाहते हैं । अगर कहीं बेईमानी हुई है तो आप दोनों तरफ से देख लीजिये । यह नहीं होना चाहिये कि एक अफसर चार महीने की छुट्टी ले कर कहे कि मुझे इधर जाना है या मुझे उधर जाना है, छोड़ना है या नहीं छोड़ना है और चेयरमैन से छुट्टी लेकर वहीं धंस जाय और कहे कि मुझे यहां रहना है । यह सब बातें बहुत एहतियात और डैलेन्स्ड तरीके से करने वाली हैं ।

श्री राम सहाय पांडे (राजनंदगांव) अफसर का नाम बतला दीजिये ।

श्री दरबारा सिंह मुझे उस को बतलाने की जरूरत नही है । मै पार्लियमेंट मे नया हो सकता हू लेकिन एम० एल० ए० बहुत दिना मे हू । मुझे पता है कि यहा नाम नही लेना चाहिये लेकिन समझने वाले समझ जायेगे कि कौन है मुझे पता नही उस का क्या नाम है । (व्य धा ।) न मै सैगल का नाम लेना चाहता हू और न डेविड का नाम लेता हू, किसी का नाम नही लेता, लेकिन हमको यह सोचना चाहिये कि किस से यह बात की जाये । हम को मौका मिला है, बेशक सरदार इकबाल सिंह के फैसले ने यह मौका पेश किया हो, उन के केस मे दिया हो, इस का फायदा उठा कर यह बात सी० बी० आई० को एन्ट्रस्ट कर दी जाये कि कौन कौन अफसर किस किस जगह पर किस किस तरीके से काम कर रहे है, किस तरह से टेडरा मे गडबडी की गई है किस किस तरह से टेडर आगे बढाये गये है या उनके बारे मे क्या क्या काम किया गया है । इसकी शिफ्टिंग इक्वायरी जरूर होनी चाहिये । इन दोनो चीजो का इकट्ठा करना बाध कर दे दिया जाये ताकि पूरी बात का पता चल सके कि कहा गलत बात हुई है कहा नही ।

श्री झारखंडे राय (घोसी) सभापति महोदय, जो आरोप सरदार इकबाल सिंह के खिलाफ लगाये जा चुके है या लगाये जा रहे है उन मे से अगर 10 फीसदी भी सही हो तो मेरा मत है कि उन को तुरन्त इस्तीफा दे देना चाहिये और उनके इस्तीफा देने के बाद ही सी० बी० आई० की इन्क्वायरी होनी चाहिये । उन के उस पद पर रहते हुए निष्पक्ष और सही जाच नही हो सकती है । इस बात का अनुभव हम लोगो को देश के कोने कोने मे है । मेरी माग है सरकार से कि अगर वह इस्तीफा नही देते है और उन मे जरा भी हया और शर्म नही रह गई है, तो सरकार उन को वहा से हटाये और तब उन के खिलाफ जाच करवाये ।

सरकार से मेरा यह भी आग्रह है कि जाच मे केवल चार विषय दिये गये है जो कि बहुत कम है । जितने भी आरोप उन के खिलाफ है उन सब की जाच होनी चाहिये । यह एक पब्लिक सेक्टर है और पब्लिक सेक्टर को नजीर बनना चाहिये । समाजवाद या साम्यवाद की पहली आधारशिला रखी जा रही है । अगर उस का नमूना हमारे देश मे पेश नही होगा तो उस से किन लोगो को प्रोत्साहन मिलेगा ? जो गैर-समाजवादी है, जो गैर-परिवर्तनवादी है, जो यथास्थितिवादी है, जो समाज को और देश को जहा का तहा रखना या पीछे ले जाना चाहते है । इसलिये इस मे उदाहरण की सजा होनी चाहिये । मेरा तो कहना यह है कि अगर इसके लिए कानून मे भी परिवर्तन करना पडे तो वह किया जाये । चाहे सरदार इकबाल सिंह ही हो चाहे दूसरे, अगर पब्लिक सेक्टर मे ऐसे कलुषित आदमी मिले या दिखलाई पडे उन्हे कडी से कडी सजा जो हमारे कानून मे हो सकती है देनी चाहिये । उनके खिलाफ 24 आरोप है । ओपन सेल किया है, कडवे तेल का मामला है जिस मे गडबडी की गई है, चीनी मे, दाल मे, लकडी क्रेट मे, मेज मे, चने की खरीदारी मे, धान की कुटाई मे, प्रस्तावित प्रेस कान्फ्रेंस म सरदार इकबाल सिंह द्वारा जो कनवैसिंग हुआ है, मजदूरो मे फूट डालना, कर्मचारियो का दमन, रिकार्ड को छिपाने की कोशिश और उसे कई सप्ताह छिपाए रहना गवाहियो को तथा सबूत को मिटाने की कोशिश, ट्रांसफर, प्रोमोशन मे चापलूसो की बहार, कानपुर से गोहाटी गल्ला ट्रको में ले जाना, पाच हजार रुपये प्रति मास टी ए लेना, एयर कडीशड लग्जरी कार के इस्तेमाल का मामला, कुर्सी मेज आदि का छ. सौ अनफर्निश्ड बगले के नाम पर किराया देना, मकान का भाडा 3,200 रुपया माहवार, मत्रिमडल में फूट डालने का प्रयास करना, प्रधान मत्री को भी प्रभावित करने की कोशिश, एक सीनियर कैबिनेट मिनिस्टर को अपने पक्ष में करना, शक्ति एवं अधिकारो का पूरा केन्द्रीयकरण, ट्रक ड्राईवरों को बेयरर चैको द्वारा भुगतान, आदि ऐसे कलुषित काम है जिन को आखों से ओझल नही किया

[श्री झारखण्डे राय]

जा सकता है । इस तरह से 24-25 आरोप है जिनका जवाब उनको या सरकार को देना होगा । इतने गम्भीर आरोप उन पर होने के बाद भी वह अपने पद पर क्यो बने हुए है ? एक मामूली कर्मचारी के खिलाफ कोई आरोप हो तो उसे पहले मुअत्तल किया जाता है और फिर उसके खिलाफ जाच होती है । उच्च पदस्थ अधिकारी कुछ भी करे और कैसे ही गम्भीर आरोप उसके खिलाफ हो, उसे उस पद पर बनाए रख कर उसके खिलाफ जाँच पडताल की जाएगी तो यह ठीक नही होगा । डबल स्टैन्डर्ड क। व्यवहार क्यो ?

सभापति महोदय, हमारे देश मे दो तरह की शक्तिया काम कर रही है, एक तो समाजवादी विचार धारा वली शक्तिया और दूसरी गैर-समाजवादी विचारधारा वाली है । इन घटनाओ, से, इन वाकयात से गैर समाजवादी शक्तियो को बल और प्रोत्साहन मिलता है । यह इस बात को सिद्ध करती है कि हमारे देश में मिक्स्ड इकोनोमी, मिश्रित अर्थ व्यवस्था, जिसके जनक स्वर्गीय पडित जवाहर लाल नेहरू थे, असफल सिद्ध हो चुकी है और पूरे तौर पर इस मिक्स्ड इकोनोमी को, मिश्रित अर्थ व्यवस्था को तिलाजलि दे कर, इसका तर्पण करके हमें आगे बढना पडेगा । यह मिश्रित अर्थ व्यवस्था या समाजवादी या पब्लिक सेक्टर के काम पूजिवादी व्यवस्था के कुपित समुद्र मे छोटे छोटे टापुओ की भाति बिखरे पडे है जिन के चारो ओर पून्जीवादी विक्षुब्ध लहरे टक्कर मार मार कर इनको निगल जाना चाहती है और इस प्रकार इन्हे ध्वस्त या अस्तित्वहीन कर देना चाहती है ।

सभापति महोदय . यह फूड कारपोरेशन की बात है । सिद्धान्त के ऊपर न चले जाये ।

श्री झारखण्डे राय : पब्लिक सेक्टर का मामला है और समाजवाद की आधारशिला रखी जा रही हो तो थोडी सी उसकी चर्चा जरूरी हो जाती है ।

खाद्य निगम भी एक सार्वजनिक क्षेत्र व्यवसाय है, जिसमें 1600 करोड पूजी लगी है इस मे ऊपर से नीचे तक भ्रष्टाचार व्याप्त है । इसलिये मै उस माग से सहमत हू, उस वाणी से सहमत हू जो उठी है कि इसकी पूरी जाच होनी चाहिये और इस विषय मे पूरी कार्रवाई होनी चाहिये । वह नही कि केवल एक व्यक्ति के खिलाफ जाच हो बल्कि आज तक के जो अधिकारी रहे है, जब से एफ० सी० आई० ने काम करना शुरू किया है, तब से लेकर अब तक की पूरी कार्रवाई की जाच के लिए एक उच्चस्तरीय जाच आयोग स्थापित होना चाहिये और जो रिपोर्ट वह दे उस पर कार्रवाई होनी चाहिये । खाद्य निगम मिलज़ का जन्नत बना हुआ है, ठेकेदारो का स्वर्ग बना हुआ है । खाद्य निगम का सम्बन्ध मिलवालो से एक दम समाप्त होना चाहिए ।

बोरो की कीमत की चर्चा हो चुकी है । क्या इनको पहले देखा नही जा सकता था । एसोसिएशन ने अपने माग पत्र मे इनकी बडी चर्चाकी है। उसके कुछ शब्द बहुत महत्वपूर्णहै .

> "There is a loot of public money to the tune of about Rs 25 crores every year by way of giving gunny bags, each worth in India about Rs 3 50 free with the gunnies to the millers, roller floor mills, traders etc"

बाहर बहुत सी जगहो पर इनके दाम सात रूपये तक मिल जाते है । इनका कोई हिसाब नही है । इस जघन्य लट में एक उच्च पदस्थ अधिकारी शामिल है ।

सभापति महोदय : अब आप खत्म करने की कोशिश करे ।

श्री झारखंडे राय : कितना समय देगे ?

सभापति महोदय : यह एक घटे का मोशन है और बोलने वाले बहुत है

श्री झारखंडे राय : दो मिनट तो मिलेंगे ?

सभापति महोदय : वे तो मिल जायेंगे । लेकिन माननीय सदस्य कम से कम समय लें तो ज्यादा सदस्यो की एकमोडेट किया जा सकेगा ।

श्री झारखन्डे राय : 200 करोड़ रुपये की लूट अब तक हो चुकी है। 25 करोड़ रुपये की लूट हर साल होती है और पूरी धनराशि का 25 फीसदी भाग करप्शन के रूप मे चला जाता है। जहाजों को बन्दरगाह से बन्दरगाह भटकाया जाता है और उस के माध्यम से कलुषित व्यापार चलता है। पी० एल०–480 के बन्द होने के बाद निगम में एक जबर्दस्त अमरीकन लाबी इस पब्लिक सैक्टर अडरटेकिंग को असफल बनाने के लिए काम कर रही है; उस को पकडना होगा। निगम में संगठित भ्रष्टाचार ऊपर से लेकर नीचे तक फैला हुआ है; उसकी गहराई मे जाना पडेगा।

निगम में पक्षपात इस हद तक है कि जो अपने आदमी है, जो यैसमैन है, उनको हैड-क्वार्टर मे रखा जाता है और आलोचकों तथा समालोचको को दूर फैंक दिया जाता है। निगम के केन्द्रीय दफ्तर मे रिजनल इमबैलेंस–क्षेत्रीय असंतुलन–कायम हो गया है। निगम के राष्ट्रीय चरित्र को हमे बनाये रखना चाहिये। भारत सरकार खाद्य निगम को 130 करोड सहायता देती है। इसकी अब कोई जरूरत नहीं है। यह एड बन्द हो। रेलवे के बाद भारत का सबसे बड़ा उद्योग है।

मैं मन्त्री महोदय से दो तीन सवाल पूछना चाहता हूं। श्री इकबाल सिंह के खिलाफ जो चार्ज लगाये गये है, उन्होने उन का जो जवाब दिया है, वह हम लोगों को मिलना चाहिए।

सी० बी० आई० की जांच केवल चार केसिज में क्यों कराई जा रही है? टर्म्ज आफ़ रेफ़रेंस में वे तमाम आरोप शामिल क्यों नही किये गये हैं, जो एसोसियेशन ने अपने मांगपत्र में लगाये थे?

ओपन सेल सैंटर का जो उद्घाटन हुआ था, सारे देश में उस पर कुल कितना व्यय हुआ है, उसके आंकड़े हमको पता नहीं चल सके हैं। मुझे आशा है कि मंत्री महोदय इस पर प्रकाश डालेंगे।

श्री शिन्दे ने 26 अगस्त को एसोसिएशन के शिष्ट-मण्डल को जो वचन और आश्वासन दिया है, उसकी तफसील क्या है और कहां तक उसका पालन किया गया है?

क्या पब्लिक सैक्टर ऐसे ही चलेगा? क्या पब्लिक सैक्टर में ये काले धब्बे ऐसे ही रहने दिये जायेगे? क्या इन्ही लोगो के सहारे स्टेट ट्रेडिंग होगा और समाजवाद का रास्ता प्रशस्त होगा? उन को उस पद पर रखा क्यों जा रहा है? क्या उन को वहा से हटा कर जांच नही कराई जा सकती है, ताकि उस जांच और उस के नतीजों मे देश के करोडो लोगो को विश्वास हो कि वह निष्पक्ष जांच हुई है, उस में किसी प्रकार का पोलीटिकल प्रेशर नही पडा है और न ही कोई पक्षपात किया गया है।

17 hrs.

श्री राम नारायण शर्मा (धनबाद) : सभापति महोदय, फूड कार्पोरेशन के कार्य-कलाप सम्बन्ध में जो विचार हो रहा है, म देखता हूँ कि कुछ माननीय सदस्यों ने तो इसको एक व्यक्ति विशेष के कार्य-कलाप पर बहस बना दिया है। वास्तव में फूड कार्पोरेशन अपने अन्दरूनी कलह का शिकार है और वह कलह यह है कि उसमे 42,000 मुलाजिम है, जिन में से 15,000 भारत सरकार के डेपुटेशनिस्ट्स हैं, जो फूड एन्ड एग्रीकल्चर डिपार्टमेंट के कर्मचारी है। इन 15,000 लोगों की एक एसोसियेशन है और उस एसोसियेशन के अभी दो अंग हो गये है। उन में से एक अंग ने चैयरमैन को चार्जशीट दिया और वह डिमांड नोटिस सरकार के सामने जून के अन्त में आया। और सरकार ने 2 जुलाई को सी० बी० आई० के सुपुर्द कर दिया। एक तरफ तो जवाब मांगा और दूसरी तरफ 2 जुलाई को सी० बी० आई० के सुपुर्द कर दिया। हम लोगों को बहुत से पब्लिक सेक्टर से पाला पड़ता है और पब्लिक सेक्टर के वर्किंग को अच्छी तरह से हम जानते हैं कि किस तरह से उसके चेयरमैन, किस तरह से मैनेजिंग डाइरेक्टर रहते हैं और उन के क्या ठाट बाट हैं

श्री राम नारायण शर्मा :

और किस तरह की जिन्दगी वे व्यतीत करते हैं। खैर, यह बात तो हुई। एसोसिएशन की तरफ से ये चार्ज आए और फूड ऐंड ऐग्रीकल्चर डिपार्टमेंट ने तीन दिनों के अंदर उस के ऊपर सी० बी० आई० की एन्क्वायरी बैठा दी। यह इतनी प्राम्प्ट सरकार है। मैं जानना चाहूंगा कि फूड ऐंड ऐग्रीकल्चर डिपार्टमेंट ने क्या अभी जो महापात्र जी ने अप्रैल, महीने के प्रस्ताव को पढ़ा, उस के ऊपर भी इस तरह की एन्क्वायरी बैठाई है ? अगर बैठाई है तो उस का क्या फल है और यह एन्क्वायरी बैठाई है तो इस का क्या फल निकला है और ये सारी परिस्थितियां कैसे पदा हुई ? ये इतने अधीर लोग है कि 2 जुलाई को एन्क्वायरी बैठी है और अगस्त महीने मे इन लोगो ने प्राइम मिनिस्टर के घर पर उसी डिमांड को ले कर रिले फास्ट शुरु कर दिया। और ये कौन लोग है ? यह सब गजेटेड आफिसर है। यह एसोसिएशन सैकिन्ड क्लास गजटेड आफिसर्स की है, फर्स्ट क्लास गजेटेड आफिसर उस का प्रेसीडेंट है। यह इन लोगों की एसोसिएशन है और इसी ने रिले फास्ट किया तो हमने पूछा, हम ने चिट्ठी लिखकर के दी है फूड एन्ड ऐग्रीकलचर मिनिस्टर साहन को कि आप बताएं अभी जो हंगर स्ट्राइक प्राइम मिनिस्टर साहब के घर पर चल रही है इस हंगर स्ट्राइक में कौन कौन से लोग शामिल है ? वे लोग ड्यूटी पर ह या ड्यूटी से गैर हाजिर है ? छुट्टी पर ह या ड्यूटी पर है ? इसका जवाब नहीं मिला। . . (व्यवधान) . . वे स्ट्राइक पर है तो उन के ऊपर क्या कार्यवाही की जा रही है ? सरकार के फर्स्ट क्लास और सैकेंड क्लास गजेटेड आफिसर उस डिमांड को लेकर स्ट्राइक पर हों जिस डिमांड को तीन दिनों के अंदर सरकार ने सी० बी० आई० के सुपुर्द कर दिया है तो ऐसी हालत में सरकार कौन सी कार्यवाही कर रही है, यह मैंने जानना चाहा था सरकार के फड ऐंड ऐग्रीकल्चर डिपार्टमेंट से। इससे यह जाहिर होता है कि इन के हित पर किस तरह से चोट लगी है। इन के हित पर चोट लगी है और व्यवसायी वर्ग के हित पर चोट लगी जिसकी वजह से बहुत से लोग घायल है। वह व्यवसायी मंडियों के है। आज तक फूड कारपोरेशन का सारा गल्ला मंडियों से खरीदा जाता रहा है और इस चेयरमैन ने एक साल के अंदर मंडी वालों को अलग कर दिया। इन्होंने सीधे ऐग्रीकल्चरिस्ट से गल्ला लेना शुरु किया। उस के लिए मशीनें बैठाई जिसमें कि अनाज एक स्टेंडर्ड का हो। पहले इन के इसपेक्टर मंडी वालों से सौदा करते थे और अपनी नजर से 66 से लेकर 76 रुपये के बीच का भाव तय करते थे। 66 से 76 के बीच क्या भाव होगा यह मंडी वाले और इंसपेक्टर मिल कर तय करते थे, उसमें चाहे जो भाव वह तय कर दें, 66 का 76 हो जाय 76 का 66 हो जाय, यह उन के हाथ में था। इन्होंने मशीनें बैठाई और स्टेंडर्ड का गल्ला लेना शुरु कर दिया। जो उसमें कचरा निकलता था वह ऐग्रीकल्चरिस्ट अपने घर ले जाता था। इस तरह का काम इन्होंने किया। और फिर पहले मडी वाले जो देते थे वह फूड कारपोरेशन ले लेता था। अब इन्होंने मशीन बैठा दी और कहा कि इस मशीन से तोलो, मशीन से नाप करलो, मशीन हर चीज को देखगी। इस मशीन के बैठने से यह हुआ कि जो हमारे एफ०सी०आई० के भाई लोग थे उन का धन्धा मर गया, जो व्यवसायी और इंसपैक्टर लोग थे, दोनों का धन्धा मर गया, उसके बाद दोनों मिलकर जो हमारे विरोधी दलों के भाई ह, उन के यहां दरबार करते है और दरबार करं के इतना लम्बा चौड़ा तूफान खड़ा किया हुआ है, जैसे सरदार इकबाल सिंह के आने की वजह से यह सब कुछ हुआ है। उनको आये हुए 12–13 महीने हुए हैं, इन 12 महीनों के अन्दर सी० बी० आई० की एन्क्वायरी बैठ गई है। हमारे भाइयों ने कहा कि इसको हटा दो, जब चार्जशीट दी है तो डिस्मिस कर दो—ये खेल तमाशे तो रोज होते हैं। सभापति जी, मैं सरकार से यह जानना चाहता हूं कि ऐसे आफिसर्स, जो फर्स्ट क्लास आफिसर्स हैं, जिन्होंने ये सारी डिमान्ड्स तैयार की हैं, मैनेजिंग डाइरेक्टर के आफिस में बैठकर ये सारे काम हुए हैं, मैनेजिंग डाइरेक्टर भी एक आई० ए०

एस० आफिसर है—पिछले साल अगस्त में प्राइम मिनिस्टर ने एक आर्डर दिया था कि जो डेपूटेशनिस्ट है वे या तो इस्तीफा दें और इधर आप्ट करें या अपने डिपार्टमेंट में अपनी सब्सटेनटीव पो ट पर वापिस जायें। ये सज्जन 4 महीने की छुट्टी लेकर दिसम्बर में वापस आये और दिसम्बर में इस्तीफा दे दिया, फूड कारपोरेशन की एफिशियन्सी का वह नमूना है कि दिसम्बर से लेकर अब सितम्बर आ गया लेकिन इस्तीफा अभी तक मजूर नही हुआ और वे मैनेजिंग डायरेक्टर साहब अभी भी दो नावों में पांव रखे हुए है। वह चाहते है कि एडीशनल सैक्रेटरी की पोस्ट पर उन का प्रमोशन हो जाय, यदि नही होगा तब वह इस्तीफा देगे।

17.07 hrs.

[MR. DEPUTY-SPEAKER *in the chair.*]

उपाध्यक्ष महोदय, प्रश्न यह है कि ऐसे ऐसे प्रश्न को लेकर अफसरों की जमायत सैक्रेटेरियट में बैठ कर, आफिस में बैठ कर गड़बड़ करें, ऐसा किसी दूसरी जगह देखने में नही आता खास तौर से जहां चेयरमैन और मैनेजिंग डायरेक्टर दोनो होल-टाइमर हों, दोनों आपस में कुश्ती लड़ें और डिपार्टमेंट लडावे। अगर डिपार्टमेंट को यह बात ठीक नही महसूस होती थी तो वह मैनेजिंग डायरेक्टर को हटाता या चैयरमैन को हटाता और अगर दोनों को रखना था तो उन की पावर का डिवीजन होना चहिये था। आज यह देखने में आता है कि मैनेजिंग डायरेक्टर का कोई फंकशन नहीं है, सिवाय इस के चार्जशीट तैयार कर के हम लोगों के बीच में बटवा दी गई। सारी पावर्स चैयरमैन के पास है, मैनेजिंग डायरेक्टर के पास कोई पावर नहीं है, मैनेजिंग डायरेक्टर को कोई अख्तियार नही है। जब वे कोई काम नहीं करते हैं, सारा काम चेयरमैन करते हैं, तो वे क्या करते हैं, अपने आफिस के लोगों को भी डिस्प्लिन में नही रख सकते हैं, डिपार्टमेंट में बैठ कर इस्तीफा को रोका हुआ है। इस तरह की बातें वहां पर चल रही हैं, क्योंकि वे डेपूटेशन के लोग हैं और उनके पैर दो नावों पर हैं, सोचते है कि एक नाव डूबेगी तो दूसरी पर चढ़ जायेंगे इस तरह की परिस्थिति फूड एण्ड एग्रीकल्चर मिनिस्ट्री की मिसहैण्डलिंग से पैदा हो गई है। मै चाहता हूं कि डिपार्टमेंट अपने दिमाग को साफ़ कर के इस पर शीघ्र उचित कार्यवाही करे। आज जो चार्जेज लगाये जा रहे है, जो बुकलेट तैयार कर के एम्पलाइज एसोसिएशन की तरफ से बांटी गई हैं मै चाहूंगा शाहनवाज़ ख़ां साहब यहां बैठे हुए है, वह 70 परसेन्ट पब्लिक सैक्टर के मालिक है, इस उदाहरण को फालो करें। मैं आपको गारंटी देता हू कि इनका कोई भी मैनेजिंग डायरैक्टर, कोई भी चैयरमैन सेफ नहीं रहेगा, क्योंकि सी० बी० आई० सब पर बैठेगी। आप सभी के ऊपर सी० बी० आई० की जांच बिठालें, सभी की इन्क्वायरी करवायें। वर्कर्स की नज़र में तो, जो सारी बातें गुजरती है, वह रहती है। वर्कर्स की दृष्टि से, उसके स्टेंडर्ड से अगर आप सारी चीजों की जांच करना शुरु करें तब मजे में आप जांच करें, हम उसका स्वागत करेंगे। (व्यवधान)..

बहुत सी बातें यहां पर कही गई हैं, मैं जानता हूं कि व्यवसायी वर्ग, धंधा करनेवाले जो है जोकि आंख से सारी चीजों को नाप लेते है नजर से सारी चीजों का सौदा करते है वे मण्डी वालों की साझेदारी मे रोजगार किया करते थे, उनके रोजगार की धक्का लगा है इसलिए यह सारी साजिश हुई है इसलिए यदि सी०बी० आई० की इन्क्वायरी हो तो वह सारे मामले पर हो, यही मेरा कहना है।

MR. DEPUTY-SPEAKER: Shri Shahnawaz Khan.

SHRI S. M. BANERJEE (Kanpur): Sir, I want your guidance. This debate concerns the Food Ministry. I know he is an ex-Chairman of FCI.

MR. DEPUTY-SPEAKER: He is intervening only as a member of the House; not as Minister.

SHRI JAGANNATHARAO JOSHI (Shajapur): If you are calling Members in an order, you have to call the representative of DMK first and then our party.

MR. DEPUTY-SPEAKER: I will call everybody. Whether you speak first or last, it is all the same. He who laughs last laughs best.

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI SHAHNAWAZ KHAN): Mr. Deputy-Speaker, Sir, it is very painful for me to sit here and listen to the debate on the Food Corporation of India.

MR. DEPUTY-SPEAKER: You could have saved that pain for yourself.

SHRI SHAHNAWAZ KHAN: I had the privilege of heading that organisation for two years. A lot of adverse criticism has been made of the Food Corporation on the floor of this House. In fairness to the Food Corporation, I would like to place before the House the magnificent work which this organisation has done.

Those of the members who come from the rural areas and have seen what was the condition of farmers before the Food Corporation came into the field are fully aware of the magnificent work which the Food Corporation is doing in Punjab, Haryana and Western UP. During the months of May and June there is virtually a flood of foodgrains that comes into the market. When the Food Corporation was not there in the field to buy everything that came, the farmers used to be flected mercilessly, the prices used to be brought down and the storage godowns of the private traders used to be filled up and later they used to exploit the consumers also. The Food Corporation has done a magnificent service to the farmers as also consumers all over the country. Whereas the prices of other commodities have risen so high, if you see the price of foodgrains, particularly those foodgrains in which the Food Corporation of India is dealing, their prices have been kept very much in control.

I am not here to defend the Managing Director or the Chairman or to say who is right or who is wrong. I am here to say that the Food Corporation of India has done very magnificent work and continues to do that work.

About 90 lakhs of refugees came from Bangladesh and they came at a time when there were heavy rains, floods, etc. Due to the Food Corporation of India, we were able to feed all those people. I dare say, there was no starvation death anywhere on account of supplies not reaching them. Some hon. Members said, without asking anybody, foodgrains were rushed to Assam. It is the responsibility of the Food Corporation of India to store foodgrains in strategic places so that they are available at the time, they are required. It is a part of their responsibility. If there had been any mal-practice or anything like that, it is always open to the Government to have that inquired into . . .

SHRI JYOTIRMOY BOSU: You could not run special trains?

SHRI SHAHNAWAZ KHAN: I am not saying that special trains were not run. Special trains were also run. But they were perhaps carrying more strategic material, like, ammunition, arms, troops.

श्री ज्ञार खण्डे राय : दो हजार टन हवाई जहाज से भेजा गया था, क्या यह सही है ?

श्री शाहनवाज खां : यह मुझे नहीं मालूम, मिनिस्टर साहब बतायेंगे ।

Some hon. Members have tried to make out that all this trouble in the Food Corporation of India is because some mal-practices which were prevailing were done away with by Sardar Iqbal Singh and that the bureaucracy got together and made a conspiracy against him. My hon. friend Shri R. N. Sharma, has named Mr. Dave, the Managing Director. Mr. Dave is not present in the House to defend himself. But I feel it my duty, as I have worked with Mr. Dave, as I have had the pleasure and privilege of working with Mr. Dave, to say that Mr. Dave is one of the most hard-working and most honest and devoted officer who

gave his unstinted loyalty to the Corporation . . . (*Interruptions*).

SHRI BHAGWAT JHA AZAD (Bhagalpur): You must not say that. In that case, you are partial. This House demands full inquiry into all that. You are defending one man and condemning the other man. . . (*Interruptions*).

SHRI SHAHNAWAZ KHAN: In all fairness to him . . .

SHRI S. M. BANERJEE: Sir, I rise on a point of order. I do not think even Mr. R. N. Sharma mentioned the name of Mr. Dave. He said, the Managing Director. His demand was that C.B.I. inquiry should embrace everything. My point of order is, even if the name has been mentioned, it was open to the hon. Minsiter to defend any bureaucrat. But now, after hearing Mr. Shahnawaz Khan, I feel that a thorough inquiry should be conducted against Mr. Dave. Why should an ex-Chairman of the Corporation defend a bureaucrat? (*Interruptions*).

SHRI BHAGWAT JHA AZAD: We would like to know from the ex-Chairman of the Corporation about the non-magnificent part of the work of the Food Corporation of India. We have heard about the magnificent part of the work of the Food Corporation of India. What about non-magnificent part of its work about which Shri Mohapatra and others spoke. Therefore, there should be a thorough inquiry into the conduct of not only Mr. Dave but into the entire Food Corporation of India . . . (*Interruptions*).

श्री बी० पी० मौर्य (हापुड) उपाध्यक्ष महोदय, यहां का वातावरण ऐसा बन गया था कि मैं उन लोगों म से था जो इसमें भाग नहीं लेना चाहते थे लेकिन मैं कहना चाहता हूं कि इस फूड कारपोरेशन म जो भी भ्रष्टाचार है जिस की इस समय चर्चा हो रही है, वह केवल दस महीने के अन्दर का नहीं हो सकता। जब से इस का जन्म हुआ तब से इसकी बुनियाद डाली गई होगी इस लिये फूड कारपोरेशन के पूरे कार्य की जो प्रणाली है उसकी एन्क्वायरी होनी चाहिए। इस समय मै सी० बी० आई० की बात नही कहता सी०बी०आई० की जब चर्चा होगी तब बोलूगा। लेकिन इसके लिए एक हाई पावर कमिशन बनना चाहिये।

Let there be a full inquiry into the entire working of the Food Corporation. (*Interruptions*).

MR. DEPUTY-SPEAKER: Let there not be any more debate on this. There is a point of order. I am going to deal with that. (*Interruptions*). Why do you not allow me?

Now it is a very well established Parliamentary practice to avoid mentioning individual names . . .

SHRI S. M. BANERJEE: It was Shri Shahnawaz Khan who mentioned.

MR. DEPUTY-SPEAKER: Let me finish. I have only begun half the sentence and members do not allow me.

Whether it is for condemnation or for approbation, it is all the more an established parliamentary practice that the names of bureaucrats should not be mentioned here. I make a little distinction between an individual holding a public office and a mere bureaucrat. I think, we should avoid that as far as possible, and I would expect that a member of the Treasury Bench should have avoided that even more. I think, it is unfortunate to give a certificate to any bureaucrat in the House.

SHRI SHAHNAWAZ KHAN: I thought it my duty, in fairness to that officer, since his name had been pointedly brought in . . (*Interruptions*).

MR. DEPUTY-SPEAKER: Please do not mention it any more. Let us avoid individual names and let us not issue certificate from this House to any bureaucrat . . . (*Interruptions*). Whatever has gone on record has gone, I request the Minister not to continue with that.

SHRI SHAHNAWAZ KHAN: It has been said that direct purchase from farmers was a good thing,

[Shri Shahnawaz Khan:]

This is a thing which was started fairly a long time ago, and I am glad that this thing has been done which has been greatly appreciated.

I entirely agree with the House that, if there are any allegations against anybody, those allegations should certainly be inquired into.

I think, it is unfortunate that there are factions within the workers of the Food Corporation of India. There are two different Unions: one union belongs to the Food employees—those who have been transferred from the Food Department; and there is the other union which belongs to direct recruits. And it is unfortunate that one union has started supporting the Managing Director and the other may be supporting the Chairman. There is internecine trouble. That has to be looked into and proper action taken to eradicate that sort of thing—inter-union rivalry within the organisation.

Then I would like to say that, in spite of all the weaknesses which have been pointed out, the Food Corporation has done good work, and I am sure it will continue to do the work for which it has been set up.

SHRI R. S. PANDEY: On a point of order. I think, the hon. Minister, Shri Shahnawaz Khan, has intervened in this debate in such a manner that we feel that it would have been better if he had not spoken at all.

MR. DEPUTY-SPEAKER: Order, please. That is your opinion.

SHRI R. S. PANDEY: The reason is this. The matter has been sent to CBI. There was no reason to give certificate to any one . . (*Interruptions*).

MR. DEPUTY-SPEAKER: Order, please. There is no point of order here.

Mr. Sezhiyan.

SHRI SEZHIYAN (Kumbakonam): The present discussion is not on the rivalry between two Trade Unions. It is not even on the misdeeds and malpractices of a single individual in the Food Corporation of India. It is a discussion on the whole working of the Food Corporation which is full of corruption, corruption of the worst order and of a stinking order.

The mover of the motion, Mr. Piloo Mody, because of the limited time, brought out only some of the malpractices and misdeeds that are being perpetrated by the present Chairman of the FCI. Whatever it may be, either the mustard oil deal or the cocktail party arranged in the Akbar Hotel—all these things are there and the persons who spoke on the other side, Mr. Mohapatra and Mr. Sharma, only enlarged the scope. They added more names and more instances of corruption. It looks as though the entire organisation is now stinking to the high heavens.

Here, we should be very alert, and I want to focus attention on one thing. I do not want to go into individual items that have been brought here to our notice. They deserve the full attention of the House. But the country is fully interested and is fully concerned about the huge amounts that are being spent from the public Fund of India. The working capital of the Food Corporation in 1965-66 was about Rs. 39 crores. That is the total capital employed. By that, I mean the share capital, the Government loans and bank over-drafts, everything including. It was Rs. 39 crores in 1965-66. Now it has gone up to Rs. 464 crores.

Regarding subsidy, from 1967-68 to 1970-71 we have paid as much as about Rs. 61.98 crores. For 1971-72 the Budget Estimates was Rs. 30 crores. The Revised Estimates went to Rs. 50 crores. For the year 1972-73 the Budget Estimates has provided Rs. 100 crores as the subsidy for the Food Corporation of India. Sir, these amounts are not small amounts. If you add up all these things, it comes to more than Rs. 200 crores, which is the subsidy given to the Food Corporation.

What is the working result of the FCI? The turn-over has been of the order of Rs. 289 crores in 1965-66. In

1970-71 it has gone over Rs. 1,400 crores. Now, it is more than Rs. 1,600 crores.

The way these things have picked up, on the other side of the medal, the corruption has also picked up. The mis-management has gone out of bounds. The wastages, the losses, the misappropriation, all these things have outstripped even the magnificent strides that our friend was speaking of. He was speaking not as a Minister, but as a Member of the House. But, the other side of the medal is very black and very stinking.

If you take the storage losses, in 1965-66 the storage losses were only Rs. 95 lakhs. Now it is Rs. 660 lakhs. Transit loss which was only Rs. 95 lakhs in 1965-66 has gone upto Rs. 7.8 crores...(*Interruptions*). Suppose you take this one, though they are handling more turn-over—the FCI is having a very high turn-over of Rs. 1,600 crores—the transit losses, the storage losses, all these things also have increased. If you calculate it per tonne, it will come to Rs 2 in 1967-68, i.e. transit and storage loss and now it has gone upto Rs. 13.7 per tonne. The freight charge which was only Rs. 27.6 in 1967-68 has gone upto Rs. 29.60 now. If you take the interest on capital, previously, in 1967-68, it was only Rs. 8.5, whereas now it is Rs. 11.6 per tonne.

In the establishment charges you find that this figure per tonne has gone up from 4.40 in 1967-68 to 13.50 now. The stocks of FCI increased by about 11 times. But the loans and overdrafts went up by 18 times. The same is the position about rental charges.

Mr. Shah Nawaz Khan waxed eloquent about the excellent services done by the FCI. But, it is the middleman who has always taken a lion's share out of the handling charge items. He has benefited at the expense of the producer and the consumer. There are statistics provided for the last year These figures are given for the period. April 1970 to March, 1971. If you take the rabi crop. . . (*Interruption*).

AN HON MEMBER: Sir, there should be silence ensured from the side of the ruling party: there is too much noise.

MR. DEPUTY-SPEAKER: Order please.

SHRI SEZHIYAN: The direct procurement has been of the order of 0.1 per cent, in respect of wheat, rabi crop. The cooperative sector contributed 41.1 per cent; the middlemen gave 58.8 per cent. If you take the figure for April 1970 to March 1971 in respect of kharif procurement, direct procurement was of the order of 3.4 per cent, and by cooperatives, 7.8 per cent only. The private individuals procured 88.8 per cent. That means, 90 per cent of the procurement has been done through middlemen who do not belong to the cooperative sector. We hear much talk about socialism; we hear much talk about the cooperative movement in the country. If you take next year, that is, April 1971 to March, 1972 the direct kharif procurement was 1.3 per cent. The figure of the cooperative sector was 9 per cent. The middlemen had procured 89.7 per cent. It is the middlemen who have always plundered, taking a major share.

Last year there was a study of the FCI by the Public Undertakings Committee The PAC Report has commented upon a misappropriation to the tune of Rs. 32 lakhs in the FCI of the Calcutta office in regard to the sale of maize to the private party. This is only one case. In a single case they have lost Rs. 32 lakhs. The amount has been misappropriated. Out of a total transaction of about Rs. 68 lakhs, only Rs 36 lakhs were paid to the FCI and Rs 32 lakhs were never paid to the FCI with the result that Rs. 32 lakhs of misappropriation was found out. And, I am told that the CBI has taken up the case. I do not know what turn it has not come to. I would like to be informed about this matter.

Then, Sir, there is a definite recommendation of the committee on public undertakings made on the basis of an earlier suggestion accepted by the Government itself that the managing director and the chairmanship should be combined. That was not done so far. They are keeping these posts separately. For what reasons, I do not know.

Before concluding I want to say one thing. There was a reference made by Mr. Darbara Singh that these misdeeds are now under a CBI enquiry

[Shri Sezhiyan:

and therefore we need not touch this matter. CBI enquiry is not a judicial enquiry. It does not have the effect of finding or binding of a judicial enquiry. It can only state how far and to what extent it thinks that misdeeds had been perpetrated. My point is, if the Government thought it fit to hand over these cases to the CBI, it follows that a *prima facie* case has been established in the minds of the Government itself. I do not know what prevented them from suspending the officials whoever they may be, the Chairman or the Managing Director, I am unable to comprehend what stood in their way in removing them, whoever they may be, till the enquiry is over. If we do not rectify these things, this premier organisation which has been brought into existence to procure, to purchase, to store and to ensure a minimum price to the primary producer and to protect the consumer will inevitably turn into a storehouse of the blackmarketeers and the corrupt officials, and instead of being called the Food Corporation of India, it may become the Fraudulent Corporation of Iqbals, because things have come to that level now.

SHRI PILOO MODY: Of Iqbal Singh.

SHRI SEZHIYAN: In reply to a calling-attention notice raised in the other House—on the 17th August, the hon. Minister had taken shelter under the plea that the CBI was seized of the matter; he said that he had received a complaint or an inquiry report from the chairman; and he was going into that. 15 to 16 days have passed now, and now he should be in a position to tell us what steps he has taken, and why there is delay in taking action against those officials who have been suspected and who are under inquiry by the CBI. It is only fair to the Department and to the Food Corporation of India and to this House that he should immediately suspend those officials from their posts. Otherwise, this inquiry will be a mockery and will not bring out the result that is sought out of it.

श्री साधूराम (फिल्लौर) : उपाध्यक्ष महोदय यह जो मामला आज हाउस के सामने आया है यह एम्पलाईज का झगड़ा मिनिस्टरों के गले पड़ा हुआ है। और चेयरमैन के गले पड़ा हुआ है। जितने एम्पलाईज हैं उन में से 3 हजार एम्पलाइज ऐसे हैं जिन के एसोसिएशन का नाम लिया जाता है और वह इस वक्त क्लास टू के आफिसर्स हैं। वे प्राइम मिनिस्टर हाउस के सामने धरना मारकर बैठे हुए हैं। दूसरी तरफ 22 हजार आदमी हैं और उन के जो प्रेसीडेंट हैं वह अश्नु बोस और मलिक हैं। ये अपना पक्ष पेश करते हैं और वे अपना पक्ष पेश करते हैं। वे तीन हजार के प्रतिनिधि जो हैं वह अपना पक्ष पीलू मोदी को पेश करते हैं और ये दूसरे जो करते हैं वह सारे एम० पीज० को करते हैं। इन्होंने जो इल्जाम लगाए हैं उस के जवाब में उन्होंने यह कहा है कि मल्लौत मण्डी में कोई ऐसा ट्रांसपोर्ट नहीं है जो हायर किया हो चेयरमैन ने या कारपोरेशन ने अनाज को ढोने के लिए। वह चैलेंज करते हैं कि इस बात को जो पीलू मोदी ने कही है। वह इस को बिल्कुल गलत कहते हैं। उन का ट्रान्सपोर्ट बसेज का ट्रान्सपोर्ट है, ट्रकों का नहीं है। वह गलतफहमी इसमें हुई है।

दूसरी बात यह है कि मैंने कई दफा कहा कि जो इल्जाम चैयरमैन साहब के खिलाफ लगाए हैं उन का जो जवाब उन्होंने अपनी स्फाई में दिया है, गलत या सही वह तो फिर देखा जायगा, लेकिन वह आज तक हाउस के टैबिल पर नहीं रखे गए। मैंने कई दफा इस बात के लिए इनसिस्ट किया। स्पीकर साहब ने इस हाउस में यह वादा किया था कि परसों को वह सारे का सारा जवाब हाउस की टेबल पर रख दिया जायगा। लेकिन वह आज तक नहीं रखा गया। यूनियन का यह ख्याल है कि चार दिन के बाद मिनिस्ट्री ने सी० बी० आई० को केस दे दिया लेकिन जब तक फूड कार्पोरेशन के चैयरमैन का जवाब पहुंचा नहीं था, यह नाइंसाफी की बात है। हम इस बात का क्लेरिफिकेशन चाहते हैं कि यह मामला क्या है? यह इम्प्लाईज का झगड़ा है तो चेयरमैन और मिनिस्टर के सिर पर क्यों आ रहा है? चार मामले जो उन्होंने बताये हैं, यनियन वालों ने जो कागजात भेजे हैं उन से यह मालूम

पड़ता है कि इंसपैक्टर और आढ़ती मिल कर जो किसान के अनाज को लूटते थे उस को बन्द करने के लिए स्क्रीनिग मशीन हर एक मडी में इस चेयरमैन ने लगाई ।

वह रिजेक्ट कर देते थे कि अनाज ठीक नही है और उसमे सात आठ रुपये का फर्क रख कर आढ़ती और इस्पेक्टर मिलकर खाते थे । इस तरह से वह किसान का अनाज लूट लेते थे । स्क्रीनिग मशीन लगने से उनका यह धन्धा खत्म हो गया । दूसरे वेइग का था, 100 किलो की जो बोरी भरते थे उस मे 101 किलो भर देते थे । चेयरमैन ने वेइग मशीन भी मडियो मे लगा दी ताकि किसान को लूटा न जा सके ।

तीसरी बात, फूड कारपोरेशन या फूड मिनिस्ट्री की एक रवायत थी कि लोगो से मण्डियो मे अनाज लेने के बाद उस अनाज को साढ़े तीन रुपये की बोरी मे भर कर मिल मालिको को दे देते थे । आप अन्दाजा लगाइये, अगर एक करोड बोरिया देश में तकसीम हो और एक बोरी साढे-तीन रुपये की आये, तो कितने करोड रुपया जो गवर्नमट के हक का था, मिल मालिको के पास चला जाता था । इस पर कुछ आदमियो मे झगडा हो गया तो उन्होने एक मसौदा तैयार करके फूड कारपोरेशन के चेयरमैन पर चार्जेज लगाये । मै उन को डिफैण्ड नही करना चाहता हू, क्योकि इस पर सी० बी० आई० बैठ गई है , लेकिन मै यह जरूर चाहता हू कि जब लोग यहा इस चीज को लेकर क्रिटिसाइज करते है, तो इस बारे मे वह जो जवाब देते हैं, वह भी हाउस के सामने आना चाहिये । उनके जवाब को मेम्बरो के सामने क्यो नहीं लाया जाता । जब यहा पर कहा जाता है कि चेयरमैन ने यह किया है, चेयरमैन ने वह किया है, तो चेयरमैन का जो जवाब है, वह भी हाउस के सामने आना चाहिये ताकि सबको सच्चाई मालूम हो जाये, असलियत मालूम हो जाय । अगर तीन हजार आफिसर्स इस तरह से कारपोरेशन के चेयरमैन को मारना चाहते हैं तो क्या गवर्नमैट उन तीन हजार लोगों के कहने से उनको मार देगी, उनके पोलिटिकल कैरियर को खत्म कर देगी । हम चाहते है कि उन का जो जवाब है, वह हमारे सामने आये और मेम्बरो म तकसीम किया जाय और उसको पढ़ने के बाद जो सही बात हो, उस पर निर्णय लिया जाय ।

अगर एग्रीकल्चर मिनिस्ट्री को कोई गलत-फहमी थी, तो उनसे उसका एक्सप्लेनेशन मागना चाहिए था, उनके एक्सप्लेनेशन पर गौर किया जाना चाहिये था, लेकिन बिना एक्सप्ले-नेशन के इस तरह से सी० बी० आई० को केस देना बिल्कुल नाइन्साफी है । हम यह नही कहते कि उसमे क्या गल्ती है और क्या सही है, लेकिन जो कागजात हमारे पास आये है, उनसे यही साबित होता है कि वहा पर चेयरमैन के खिलाफ एक किस्म की कास्पिरेसी चल रही है । लेकिन हम उसमे नही जाना चाहते है, हम तो यह चाहते हैं कि जो इल्जाम लगाये गये है, उन के जवाब हाउस में सुना दिये जाये और उसके बाद जो फैसला सी० बी० आई० या गवर्नमेट को करना है, वह करे । लेकिन बगैर किसी को सुने, बगैर एक्सप्लेनेशन के, किसी को फासी की सजा देना नाइन्साफी है । उन के जबाब को हाउस मे जरूर पेश किया जाय । आज देश मे ऐसा वातावरण पैदा हो गया है, कोई कहता है, चेयरमैन बेईमान है, कोई कहता है एम्प्लाइज बेईमान है, कोई कहता है मिनिस्ट्री बेईमान है, इस बात की सफाई के लिये सारे कागजात हाउस मे रख दिये जाये ताकि लोग उनको देख सके और समझ सके कि असलियत क्या है ।

MR DEPUTY-SPEAKER: Shri Jagannathrao Joshi.

श्री जगन्नाथराव जोशी (शाजापुर) : उपाध्यक्ष महोदय, भारतीय अन्न महामण्डल के कार्यकलापो के विषय में आज हम चर्चा कर रहे है । जिस उद्देश्य की लेकर इस महामण्डल की स्थापना की गई थी ।

श्री साधू राम उपाध्यक्ष महोदय, ये उन के थोडे से जवाब है, इन को टेबिल पर रख दीजिये ।

MR. DEPUTY-SPEAKER: Order please. No, no.

श्री पन्नालाल बारूपाल (गंगानगर): इस मे आप को क्या डर है ?

MR. DEPUTY-SPEAKER Order please Will he sit down?

श्री पन्नालाल बारूपाल : चेयरमैन ने जो जवाब दिये है, उन को हाउस के सामने लाना चाहिये, आप इन को क्य नही रखने देते । जब नौकरशाहो की बात यहा पर रखते हे तो इस को भी रखिये ।

MR DEPUTY-SPEAKER Order please I won't allow this This Table cannot be used for placing any kind of document from any individual.

Shri Joshi

श्री जगन्नाथराव जोशी भारतीय अन्न महामण्डल के कार्यकलापो के बारे मे सदन मे चर्चा हो रही है जिस उद्देश्य को लेकर इस अन्न महामण्डल की स्थापना की गई थी, क्या वह उद्देश्य सफल हुआ, यदि सफल हुआ है तो कहा तक सफल हुआ है, यदि नही हुआ है तो क्यो सफल नहीं हुआ यह देखना होगा। यह सवाल किसी एक व्यक्ति विशेष का नही है । आज जब जाच की बात हो रही है तो मै यह समझता हू कि पूरी बातो की जाच हो । यह इस लिये आवश्यक है कि आये-दिन सरकार का काम बढता जा रहा है, ऐसी स्थिति मे कोई भी सरकारी सस्थान यदि ठीक ढग से नही चलता है तो अन्ततोगत्वा यह न जनता के लिये अच्छा है न सरकार के लिये अच्छा है ।

जहा तक अन्न महामण्डल का सवाल है वह इसलिए पैदा हुआ था कि वास्तव मे जो अन्न पैदा करते ह, किसान, उनको उचित मूल्य मिलता नही है । तो किसान को उचित मूल्य मिले और उपभोक्ता को स ता मिले बिचौलिए जो मुनाफा खाते थे, व्यक्तिगत रूप से कमाकर, वह कार्पोरेशन के जरिए फिर देश के पास चला जाये, और जहा पर अभावग्रस्त स्थिति पैदा हो वहा पर तुरन्त यातायात से आवश्यकतानुसार आनाज पहुचाया जाये और जहाँ पर अन्याय भी होता था वह अन्याय भी दूर हो, अव्यवस्था दूर हो—इन तमाम बातो को करले यह कार्पोरेशन पैदा हुआ था । इसके साथ और भी कुछ बातें जोड़ी गई जैसे बच्चो को अच्छा आहार मिले, उसकी भी कुछ व्यवस्था हो । किन्तु मै समझता हू स्वय शिन्दे मे जिस बात को लोकसभा मे दोहराया है उसको देखने से पता चलता है कि यह मामला कुछ ठीक नही चल रहा है। मेरी समझ मे नही आता कि हमारे मन्त्री महोदय, श्री शाहनवाजखा ने बडा भारी सर्टिफिकेट देने की कोशिश क्यो की ? क्योकि आजतक जो हुआ है, वह पब्लिक अन्डरटेकिन्ग्ज की रिपोर्ट है उससे ठीक पता चलता है कि जहा गोडाउन की व्यवस्था है, स्टोरेज की व्यवस्था है उसके जो लासेज है वह हर साल बढते जा रहे है । ये आकड़े है जिनको मै पढ कर सुनाना नही चाहता हू ।

श्री शाहनवाज खां : लेकिन फूडग्रेन्स जो लेते है उसकी तादाद भी बढ़ रही है ।

श्री जगन्नाथराव जोशी : जैसे तादाद बढती है वैसे ही जिम्मेदारी भी बढनी चाहिए । यह कहने से काम नही चलेगा कि तादाद बढ गयी । जो व्यक्ति अकेला होता था वह जब शादीशुदा होता है, बच्चे पैदा होते है तो घर की जिम्मेदारिया बढती है । इसलिए यह कहकर टाला नही जा सकता कि जिम्मेदारी बढ़ी है इसलिए ज्यादा गलत ढग से काम करे । ···(व्यवधान)··· इसलिए मै कहता हू . . . .

MR. DEPUTY-SPEAKER: Because you have not married does it mean that you speak with less responsibility?

श्री जगन्नाथराव जोशी : इसलिए मैं बतानाँ चाहता हू कि वास्तव मे सारी गल्तिया जो है . . . .

Therefore, I understand the difficulty and can deal with it with all objectivity and impartiality. My assessment will never be subjective. It will be an objective and impartial assessment, because I am unmarried I am completely unattached and non-committal A married man's viewpoint is always married by something or the other.

इसी प्रकार इसमें स्टोरेज के जो लासेज है वह बढ़ रहे है। इतना ही नही, चोरियो के जो आकड़े है वह भी बढ़ते चले जा रहे हैं। एक साल मे 28 हजार, अगले साल दो लाख, फिर चार लाख, फिर पांच लाख। इसलिए यह कहना ठीक नही है कि चोरिया इसलिए बढ रही है क्योकि माल ज्यादा भेज रहे हं। इसी तरह ट्रासिट मे ओपेत वैगन मे माल भेजे उससे अनफिट फार कडम्प्शन जो हो जाता है उसकी सख्या बढ़ रही है। आखिर वह तर्क नही हो सकता कि तादाद बढ़े जैसे जैसे कारोबार बढेगा वैसे वैसे एफीशिएन्सी भी बढनी चाहिए यदि एफीशिएन्सी बढ़ती नही है तो कारोबार बढ़ाते समय सोचना चाहिए। इसीलिए मैने कहा कि आये दिन सरकार व्यापार बढाती चली जा रही है।

He will have to do it with utmost efficiency and speed

यह भी करना पडेगा। जब काम ज्यादा हो उसकी वजह से अव्यवस्था पैदा हो, यह मजूर नही है। आप देखे कि सामान्य आदमी, बिचौलिए जितना मुनाफा लेते थे एक क्वीटल के पीछे वह पौने चार रुपए था लेकिन आज अन्न महामण्डल 13 रुपए लेता है। उनका प्रति क्वीटल खर्चा दो रूपए था लेकिन अन्न महामण्डल का 9 रूपए खर्चा है। तो न सामान्य जनता को अनाज सस्ता मिलता है न पैदा करने वाले किसान को उचित मूल्य मिल रहा है—आखिर क्या हो रहा है?

शिन्दे साहिब ने बताया था :

> "Mr. Shinde said that during 1970-71, the FCI's transit, storage and voyage losses were about Rs. 15 crores. . ."

आखिर मन्त्री महोदय स्वय कहते है, यह क्यो हुआ है?

> "The reasons for losses were high moisture-content in the grain at the time of procurement, storing of grain in sub-standard godown . .".

Why were sub-standard godowns built?

यानी गोडाउन बनाते समय स्टैन्डर्ड गोडाउन नहीं बनाये, सब-स्टैन्डर्ड बनाये और यह पता कब चला? जब सारा ग्रेन खराब हो गया तब पता चला कि गोडाउन सब स्टैन्डर्ड है। इसी तरह से पिलफ़रेज ऐट गोडाउन। इस पिलफरेज का मतलब रेट से नही होता।

It is not due to rats or black rats, It is done by human hands In transit, losses caused by insects and rats in godowns and movement of foodgrains in open wagons

यानी कोयला बन्द वैगन मे लाया जाय और अनाज को ओपिन वैगन मे लाया जाय। वैगन तो है रेलवे के पास, फिर खुले वैगन मे गेहू क्यो ले जाया जाता है? यह न होने की वजह से मत्री महोदय कहते है

The FCI was now constructing godowns with improved storage facilities and had initiated several measures to plug loopholes and offset the losses

अभी जो गनी बैग्स का मामला आया उसमे पता चला कि 25 करोड रु० की लूट होती थी। यह दूसरा आइटम है एफ० सी० आई० का ही :

The Food Corporation of India has sought the approval of the Ministry of Food and Agriculture to its proposal to recover from buyers of foodgrains the cost of gunny bags An FCI spokesman said the Corporation spent over Rs 31 crores annually on the purchase of 90 million gunny bags.

यानी खुद के गनी बैग्स मुफ्त मे देना और जब अपने को आवश्यकता पडे गनी बैग्स की तो उस को खरीदना :

These are serious omissions and commissions

अब इस के बारे मे मैं कहना चाहता हूं :

The Spokesman said the Ministry's approval was necessary as it would also affect some of the states which were taking foodgrains from the corporation for public distribution, although they did not make any profit in the process

आखिर जैसे ऐफ०सी०आइ० स्टेट्स को देते हैं वैसे ही सामान्य ट्रेडर्स को भी देते थे। तो जो गनी बैग्स की वसूली है उन के लिये क्या आप की इजाजत

श्री जगन्नाथ राव जोशी :

की जरूरत थी ? पहले मुफ्त मे दे देते थे और आज जब उस की लूट हो रही है तो इन का स्पोक्समैन कहता है

The spokesman says that it has gone to the Agriculture Ministry to seek approval

इस का मत्री महोदय खुलासा करे तो अच्छा रहेगा । इसलिये जब चर्चा हो रही है तो सभी पहलुओ की जाच होनी चाहिये क्यो कि हर चीज मे घोटाला है ।

इतना ही नही डैमरेज की रकम भी देखने लायक है । उपाध्यक्ष महोदय, डैमरेज 1966 मे 28,000 रु० था जो 1971 मे बढ कर 17 लाख हो गया है । किस चीज मे वृद्धि नही हुई है? डैमरेज मे वृद्धि हुई है, गोडाउन मे माल खराब होने मे वृद्धि हुई है, ट्राजिट मे होनेवाले नुकसान मे वृद्धि हुई है, चोरी में वृद्धि हुई है । हर चीज की वृद्धि होती है, और फिर ऊपर से मत्री महोदय सार्टिफिकट दे कि काम अच्छा चल रहा है, यह बात मेरी समझ मे नही आती है।

एफ० सी० आई० का मामला मै जानता हू, आज जो हमारे रेल मत्री है, माननीय टी०ए० पाई वह जब चेयरमैन थे, तो कार्यपद का त्याग करने के बाद जो उनके भाषण अखबारो मे छपा था वह मुझे याद आ गया उन्होने कहा कि फुड कारपोरेशन के पास अनाज की उपज के सही आकडे तक नही है ।

I am subject to correction, Mr Pai happens to be a minister here

तो शुरू से ही, 1965 से ही और आज 1971-72 तक हम पहुचे नही इस सस्था में इतने भारी लीसेज होते है । जिस कौरपोरेशन मे इतने लीसेज हो तो जिस समाजवाद को आप लाना चाहते है जिस सामान्य आदमी को आप लाभ पहुचाना चाहते है, बिल्कुल उसके खिलाफ कोई बात करें और यहा उस की जाच भी न हो, यह ठीक नही है ।

उपाध्यक्ष महोदय, करप्शन टौप से शुरू होता है, नीचे से नही । इसलिये गीता में कहा गया है :

यद्यदाचरति श्रेष्ठः तत्तदेवेतरोजनाः,

सयत्प्रमाण करते, लोकस्तदनुवर्तते ।

वह जो करते है उसको प्रमाण समझा जाता है । इसलिये कौरपोरेशन का चेयरमैन हो या कोई भी हो, यह जो औनरेरियम उनको दिया जाता है Can one live (on this honorarium)? Let the Government reconsider this

यानी जो भी सेवा करते है उस के लिए जीवित रहना हमारा अधिकार है । एक रुपये मे कोई आदमी जीवित नही रह सकता । उन की इन्कम का सोर्स क्या है । जब सम्पत्ति पर मर्यादा आ रही है, पाच हजार से ज्यादा हार्ड नही रख सकते, तो एक व्यक्ति एक रुपये मे जीवित नही रह सकता । यदि मै देश की सेवा करता हू तो मुझे जीवित रहने के लिये आवश्यक साधन देश दे, समाज दे । तभी मै समाज की सेवा दे सकता हू । मै समाज को अच्छी सेवा दू तो समाज को मेरी शिक्षा, खाना और रक्षा का प्रबन्ध करना चाहिये । यह जैसे समाज की जिम्मेदारी है वैसे ही समाज को अपनी सेवा देने की मेरी जिम्मेदारी है । इसलिये इस पर पुनर्विचार होना चाहिये नही तो एक रुपया आनरेरियम देना और चार हजार रुपये किराये का घर रहने को देना यह उचित नही है । उपाध्यक्ष महोदय, जैसे हम मे सरकार किराया लेती है वैसे ही मत्रियो से लेना चाहिये । आप उन को तनख्वाह चाहे जितनी दे, लेकिन कोई भी चीज उन को मुफ्त न मिले-न कार मुफ्त मिल, न घर मिले, न बिजली और पानी मुफ्त मिले । सब को हिसाब से पैसा देना चाहिये ताकि उन को पता चल जाय कि किस तरह से काम चलाया जाता है (इस लिये यह जाच किसी बात को भी ले कर हो, इस के लिये जरूर होनी चाहिये कि जिस उद्देश्य को ले कर फूड कारपोरेशन पैदा हुआ था वह उद्देश्य सफल हुआ है या नहीं । हमारे देश में एक महानगर कारपोरेशन में इतनी चोरियां होती थी कि वहा की जनता उन को मजाक में कहने लगी कि

this is not corporation, this is chorporation.

इस लिये म समझता हू कि इसकी पूरी जांच की जाय और इस के लिये जो भी जिम्मेदार हो उन को पूरी सजा मिलनी चाहिये ।

SHRI P M. MEHTA (Bhavnagar): Sir, all the members who have participated in this discussion have condemned the working of the Food Corporation. Not a single hon. member has defended its working. Even Mr. Shahnawaz Khan has tried to defend only one officer, not the working of the corporation. Now the common consumer has become the victim of this rampant corruption and malpractices. It was highlighted by my friend Mr. Mody, that when the Gujarat Government found that the prices of pulses were going high and they asked for quotations from the Food Corporation, with the object of distributing pulses through fair price shops, the prices quoted by the Food Corporation were higher than the market price prevailing on the same day or day before. The difference was not small The difference was Rs. 16 per quintal in the case of gram, Rs. 14 in the case of gram dal and Rs 58 in the case of moong dal. So, the corporation has failed to serve the cause of the interest of the consumer.

I will put two or three questions to the minister and I hope he will listen to them and reply to them categorically. Is it a fact that in view of the findings of the Chief Vigilance Officer of FCI, the Chief Commercial Manager, the Financial Adviser and the Managing Director had recommended that no extension of time should be given to the parties for supply of the balance undelivered stock of 525 metric tonnes of mustard oil, but the Chairman of the corporation ruled out their recommendation and allowed extension of time to the said parties, though the market rates had further decreased by that time and FCI had to suffer a further loss of Rs. 6 lakhs? The Corporation was compelled to quote higher prices for pulses than the market prices prevailing in the same period, because the purchases of gram were all of a sudden stopped by the Chairman when the rates were Rs. 94 per quintal.

They again resumed after some period when the rates went up to Rs. 114 to 117 per quintal. I want to know whether this is a fact or not. This is the only reason why the Government of Gujarat could not arrange the distribution of pulses through the fair price shops

18 hrs.

Much has been said about the open sale centres What is the total expenditure incurred by the Corporation for the inauguration of open sale centres? Is it a fact that these open sale centres are now banned by the Government of India?

The Corporation sold pulse on 1-5-72 at the State centre, Baroda to the traders at prices much lower than those quoted to the Government of Gujarat In other words, the Corporation sold pulse to the private dealers at rates lower than those quoted to the Government of Gujarat. How did this happen. In May gram was sold at a price of Rs. 80 to 85 per quintal, in July at Rs. 110 to 130 per quintal and in August at Rs. 127 to 128 per quintal On 1-5-72 gram dal was sold at Rs 118 per quintal, in June at Rs 118 to 122, in July at Rs. 122 to 135 and in August at Rs. 143 to 145 In August, Moong dal was sold at Rs. 205 How did the Corporation make it possible to sell these commodities to the private dealers at a lower rate than was quoted to the Government of Gujarat and thus deprive the common consumer of getting the benefit of the fair rates and distribution through fair price shops?

SHRI SAMAR GUHA (Contai): Mr. Deputy-Speaker, Sir, Sardar Iqbal Singh is not an exception but one among the many who have successfully discredited our institution of public undertakings or public corporations I can name one, but I do not want to do it. There is another example of sacrificing personality who takes Re. 1 per month as salary, but who is spending more than Rs. 8,000 per mensem for his bungalow and other requirements.

AN HON MEMBER: Which is that Corporation?

SHRI SAMAR GUHA: Indian Airlines Corporation. I can mention many other also, like the Chairman of the Fertilizer Corporation who has

SHRI SAMAR GUHA:

recently resigned. In many other public corporations the situation is almost the same.

Today one individual has been pinpointed. I should say that it was a very interesting scene today. Some of the very senior Ministers were sitting in the back benches and some of the other senior members were taking peculiar interest in the debate. I have also observed in this House that some of the members of the ruling party wanted to generalise the whole issue while some of the members wanted to particularise and pin-point some personalities.

I find a peculiar thing, the ruling party Members, some supporting and some opposing, a personality who is involved in our discussion today. There is a certain basic thing. It is, I should say, a policy of selection of such heads of public undertakings and public corporations. The functionaries of the ruling party, they may be discredited or discarded or they may have some credit in the party, are being selected to head such corporations or such public sector undertakings Not only so. In the case of some corporations, there are some chosen men or some such yes-men who are selected to head such corporations or such public bodies. Sometimes, if a powerful party functionary is the Chairman of a particular corporation or a particular undertaking, difficulties arise as in the case of the Food Corporation of India. The person who has been selected as the Chairman of the Corporation is a powerful party functionary of the ruling organisation.

What is the result? The result is that, sometimes, a Minister if he is not powerful, if he is not of the Cabinet rank, if he has no organisational backing of the ruling party, finds it very difficult to directly deal with such Chairman. If he is a junior Minister, he tries to take the help of the Managing Director or some other official equivalent to that rank. Then, there is a clash between the Chairman and the Minister as in the case of the Food Corporation. Obviously, such ugly practices are being manifested here. In this case of the issue of the Chairman of the Food Corporation we see some Members taking this side or that side; some taking this side of the Chairman and others that of some officials; some Congressmen taking this side or that side, supporting one or the other. It is a peculiar thing.

What is the root cause of it? The root cause of all such evil is the process of selection of heads of such public sector undertakings or Corporations. The question is: Why are such persons, the party functionaries belonging to the ruling party, selected? It is shocking to see how these public sector undertakings or Corporations function. It is not in all sphere, in all sector, of their administration but it is their direct functioning through not their own men, Government men, but mostly through contractors either in the process of procurement or distribution—in this case of F.C.I., it is foodstuffs—or transportation or storage, etc. etc. They function mostly through contractors These contractors are the milching cows for the party funds of the ruling party. Particularly, such chairman or yes-men officials are chosen because they are actually the fund collectors of the ruling party. This is the reason. . . .

AN HON. MEMBER: Question.

SHRI SAMAR GUHA: I know it. I know at the time of elections so many contractors who run transports for F.C.I. were asked to charge say, Rs. 20 for a lorry instead of Rs. 12 for a lorry, such balance of Rs 8 going to election funds.

These Chairmen or heads of such public bodies are being used as some kind of a political *shikhandi* of the ruling party. Sometimes, they may not be actually corrupt; they may not be actually responsible for that. The real responsibility in such case, I should say, with the ruling party audits policy of selection and recruitment of heads and also some top bureaucrats of such Corporations or such public sector undertakings.

In the case of the Food Corporation of India, certainly, Sardar Iqbal Singh cannot deny himself of the charges made against him. Almost

all the members, on this side or that side, have cited many examples of the mal-practices that have been indulged in by Sardar Iqbal Singh.

Sardar Iqbal Singh, I should say, is the culmination of a process, a continuous process, of corrupt practices that were being indulged in by the Food Corporation. My friend, Shri Shahnawaz Khan, may defend the Food Corporation and say that it has functioned magnificently in undertaking foodgrain procurements and distribution in our country. But it would have been more magnificant if better personalities had been chosen as head of such institution, if better persons had been chosen to deal with the whole administrative business.

I want to warn the Government that the whole institution of socialism, the whole mechanics of socialism, the whole concept of socialism, and the whole principle of socialism, are going to be discredited by the functions, by the performance,—and by the attitude of administrative handling of Public Sector bodies by such functionaries who have been chosen not on any other consideration but on the consideration of party affiliations, on the consideration of interests of the ruling party. In this case of F.C.I. in regard to procurement it is done by the agents; in the case of transportation also, it is mostly done by the contractors. About storage,—you will be astonished to know—a decision was taken that Government would construct the godown for storing foodgrains but in every State this principle, this policy, has not been implemented; we all know that in hiring of the godowns or buildings, in the case of fixing rent, something is being done. In the case of distribution also, Government is not directly distributing but is distributing through dealers who are the pet-boys of the ruling organisation. I do not want to go into the details. Unless this process of distributing favouritism to the yes-men of the ruling party, to the milch cows of the ruling party, is changed, as I have said, the whole institution of socialism working through Public Sector, is going to discredited. Then we have to bear the responsibility for that. (*Interruptions*).

Therefore, if they really want to remedy the malady, I would like to make some suggestions. The first one is that Heads or Chairman of such public bodies or public undertakings should not be selected by the Government from any political functionary of any political party—if he is an active member of any political party; no member of any political party should be entrusted with the Chairmanship of any public corporation or public undertakings. (*Interruptions*) Secondly, there should be some kind of a selection body like the UPSC for selecting personnel to head such bodies; there should be a selection body which should be independent and impartial of the control and interests of the Government. If such a body, as UPSC, is there to select the personnel for heading such institutions, to select such important functionaries, then there is the possibility of overhauling, in the right direction, the functions of the public institutions.

Lastly, I would say, Sardar Iqbal Singh, I think, had been an important functionary in the Congress. He had been a Member of Parliament and a Minister also. As I find, so many Ministers are keenly interested, so many Members of Parliament are taking keen interest in defending him, at least, I think, a certain sense of self-respect demands, before anything is done, that he should resign immediately after what has been told or what has been said or what has been found about him.

Secondly, a high-power inquiry committee should be instituted to go into the whole policy, functioning and the structure of the Food Corporation. Just an inquiry into the deeds of an individual will not help nor will it provide any remedy.

THE MINISTER OF AGRICULTNRE (SHRI F. A. AHMED): I welcome the discussion on the working of the Food Corporation of India. But, I certainly feel very unhappy because of the manner in which this matter has developed into a controversy based on emotion and based on. . .

AN HON. MEMBER: Where is the emotion?

श्री ज्योर्तिमय वसु : जनाब मंत्री जी, इस को इमोशन कहेंगे तो रियेलिटी किस को कहेंगे ?

SHRI F. A. AHMED: One side taking the part of one person and another side taking the part of another person. But, I am here not to speak on either view or on behalf of either party and not to defnd any party whatsoever. As I said, my position has been very clear in this matter. When certain allegations were made against the Chairman and the officers of the Corporation, all these matters are under examination and, whatever action is called for, it will be taken by the Government after the matter has been gone into and carefully examined . . .

SHRI JYOTIRMOY BOSU: How long will it take?

SHRI F A. AHMED: It will not take a very long time.

SHRI JYOTIRMOY BOSU: It has already taken three months

SHRI PILOO MODY Meanwhile, he should be suspended.

SHRI F. A AHMED: Mr. Mody says that the gentleman should be suspended before taking any action. But I would like to point out that it will be a very unfortunate thing to punish a person without knowing his guilt. . .

SHRI B P. MAURYA· It is not unfortunate that without going into the statement given by the Food Corporation Chairman the matter was referred to the CBI?

SHRI F. A. AHMED· May I just say that his information is entirely incorrect because, so far as my Ministry and my Department is concerned. it has not been referred to the CBI. It is on their own initiative that certain action has been taken.

So far as the allegations made before me are concerned, I wrote a secret letter asking the Chairman to explain what he had to say and I think no one knows anything about it except the Chairman and my Secretary. . . .

SHRI JYOTIRMOY BOSU: Let it be laid on the Table nf the House.

SHRI F. A. AHMED: I cannot lay it on the Table unless. . .

SHRI B. P. MAURYA: The Minister asked about the allegations on the 28th June. The matter was referred to the CBI m the 1st week of July. . .

SHRI R N. SHARMA: 2nd July.

SHRI B. P. MAURYA: If you say that it will be unfair to ask the Chairman to resign, is it not unfair to refer the case to CBI without going into the statement of the Chairman?

SHRI JYOTIRMOY BOSU: I am not talking about punishing him. But, if you keep him as Chairman, the inquiry will be very much hindered. Now he should temporarily retire and if he is absolved of the charges, he can come back and assume the office.

SHRI PILOO MODY The fact is that he is tampering with the record.

SHRI F. A AHMED: These are the allegations made by some of the employees of the Food Corporation. What I would like to point out is this No action for the purpose of making a reference to the CBI was made except in respect of one matter. That was in regard to the pulses deal where some questions were asked on the floor of the House, and as a result of the assurance given by my colleague, the Minister of State, some action was taken in that matter That matter was referred to the CBI. The other matters were not referred to the CBI by me or by anyone else, because the matter was with me and I had asked the Chairman to explain and he had explained. The reply was received by me on the 5th of August. That is under examination

SHRI JYOTIRMOY BOSU: You are trying to shield the person.

SHRI F. A. AHMED: It is a voluminous reply of about 150 to 200 pages. It requires some time to go through all the pages. There is also examination to be done of various documents. Therefore it is taking time.

SHRI JYOTIRMOY BOSU: In the case of the Akali minister, on the strength of one MLA writing, you decided upon taking certain action but in this case you are taking months. .

SHRI F. A. AHMED: Not at all. I am not taking months in this case at all.

SHRI JYOTIRMOY BOSU: Everything is political.

SHRI F. A. AHMED: As I was saying, . . .

SHRI S. M. BANERJEE: Out of 150 to 200 pages, how many have you read?

SHRI F. A. AHMED: I have gone through the reply. Some of the points mentioned require verification from various documents and various books in the possession of the departments concerned. What I would like to point out is this. So far as hon. Members are concerned, their objective was to make suggestions which will improve the functioning of the F.C.I. I entirely agree with the hon. Members so far as the working of the F.C.I. is concerned that from time to time there have been some lapses, there have been some shortcomings, there have been some failures. It is on the knowledge of the failures, the lapses, the shortcomings, etc. that we had started taking action and we had tried to improve upon the working of the F.C.I. But one thing I would say, that it would be very unfair on the part of anyone to say that the F.C.I. has not served the purpose for which it was established . .(*Interruptions*). If the hon. Members will be pleased to remember, they will find, whether it is in the matter of procurement, whether it is in the matter of movement, or in the matter of storage or in the matter of distribution. . .

SHRI PILOO MODY: Corruption, corruption and corruption, nothing else.

SHRI S. M. BANERJEE: We are not against the F.C.I. We want the entire trade to be handled by Government.

SHRI JYOTIRMOY BOSU: We have been demanding that the entire foodgrain trade should be nationalised.

SHRI F. A. AHMED: The hon. Member may not have said so but some other hon. Members said that the functioning of the F.C.I. was not good and so I dealt with that point. What I want to say is this. Whichever direction we may look to, we will find that the work of the F.C.I. has multiplied five or six times ever since it was established. It was established in 1965. In 1972 the working of the F.C.I. has multiplied by about five or six times.

The hon. Member pointed out that the total turnover of the Food Corporation was near about Rs. 2,000 crores, it is not so, it is only Rs. 1,600 crores. It is not Rs. 2,000 crores.

SHRI SAMAR GUHA: According to the Audit Report, about Rs. 400 crores of them are lost either in storage or in transit etc. This is the yearly loss.

SHRI F. A. AHMED: I would say that if there are any defects pointed out in some directions we are certainly prepared to look into them and to see how they can be rectified. So far as the question of loss is concerned, we should work it out on the basis of percentage and find percentage and find out what the percentage of loss is.

SHRI SAMAR GUHA: There is 25 per cent loss, according to the Audit Report. 25 per cent of turnover is lost either in the process of storage or transit or distribution . .

SHRI F. A. AHMED: It is not 25 per cent, it is not a correct fact.

SHRI JYOTIRMOY BOSU: How much did the Chairman contribute to your party fund for election? You are in the darkness.

SHRI F. A. AHMED: The purpose of some of the hon. Members is only political motive.

SHRI PILOO MODY: We are casting aspersions, whether you call them 'political' or something else. We are casting aspersions.

SHRI F. A. AHMED: It has been stated by my hon. friend over there that the appointment of a chairman was for a political purpose.

SHRI JYOTIRMOY BOSU: No doubt about it.

SHRI SAMAR GUHA: In each and every public sector corporation or undertaking, all the chairmen are selected on political considerations. They are chosen from among the political party's discarded and discredited members. (*Interruptions*)

[Shri Samar Guha]

SHRI F. A. AHMED: However much hon. Members may shout, there is no basis for such an allegation, and I deny it with all the power at my command.

SHRI S. M. BANERJEE: My submission is that they may appoint political persons as chairman of corporations. We have no quarrel over it. But let them appoint politically efficient persons who can do the job without defrauding the public exchequer.

SHRI PILOO MODY: Let him appoint Shri R. S. Pandey as the chairman.

SHRI R. S. PANDEY: I would like to suggest that Shri Piloo Mody may be appointed the chairman of the Food Corporation, because he is very efficient.

SHRI S. M. BANERJEE: I object to it.

SHRI F A AHMED: So far as some of the hon. Members are concerned, they want that there should be no one who belongs to a political party who should be appointed as chairman of a public undertaking. But I do not see why a person belonging to a political party should be deprived of this opportunity. (*Interruptions*) we do not agree with their views; they may have their own views, but our view is that political persons should not be prevented from becoming chairman of the public undertakings.

SHRI SAMAR GUHA: I had used the word 'active party functionary'. Active party functionaries should not be appointed.

SHRI R V. SWAMINATHAN (Madurai): They cannot behave as if they are cross-examining in a court of law.

SHRI PILOO MODY: As soon as a Member has lost his seat, he should be appointed to a corporation.

SHRI F. A. AHMED: As I have said, so far as the working of the Food Corporation is concerned, I am always prepared to have constructive suggestions from hon. Members, which would improve the functioning of the corporation.

SHRI JYOTIRMOY BOSU: First, let him have a thorough probe. Let him appoint a parliamentary commission.

SHRI F. A. AHMED: That is entirely different. . . .

SHRI PILOO MODY: I am making the most constructive suggestion. Let Government suspend him or make him resign.

SHRI F. A. AHMED: So far as these allegations are concerned, there are two sets of allegations. One is against the chairman and the other is against some officers and employees of the organisation.

SHRI PILOO MODY: Let him suspend them all.

SHRI F. A. AHMED: It is very unfortunate that these things should have happened in a public undertaking. I am very unhappy that these things have happened . . . .

SHRI JYOTIRMOY BOSU: Under his very nose, for the last one and a half years in Delhi.

SHRI F. A. AHMED These matters have to be inquired into, and after a *prima facie* case is available with us, we shall take such actions as are called for.

SHRI JYOTIRMOY BOSU: Let the hon Minister kindly now evade the issue. Let him tell us his concrete decision as to what he wants to do and within what target date. Let him give us a clear and categorical reply about the target date within which he would come to a final decision. Let him kindly not take us for a ride.

SHRI F. A. AHMED: There is no question of my placing the statement which contains all the allegations before the House; that is a document which is under examination, and after it has been examined, that will be placed on the Table of the House. . . .

SHRI S. M. BANERJEE: Will it be completed by the beginning of the next session?

SHRI S. B. GIRI (Warangal): On a point of clarification. May I know

whether the inquiry will be confined only to the last one year or will it cover the period since the inception of the corporation? The malpractices have been taking place for the last eight years.

SHRI F. A. AHMED: That is a matter which Government will examine, when all these facts are before the Government.

One hon. Member had raised a point that some rice was taken in an aeroplane to Assam from here, and for that the responsibility of the Food Corporation or the Department of Food has been alleged.

May I just point out that there was no such transhipment of rice by the Food Corporation or the Food Department by plane? What actually happened was that some of the aeroplanes which were bringing refugees from Assam to Madhya Pradesh and other areas—Russian planes—were going back empty and in those empty planes, it is very likely that we had sent some foodgrains. The Agriculture Department had utilised that vacant space for the purpose of taking foodgrains from here to Assam and other difficult border areas.

SHRI SHYAMNANDAN MISHRA: That did not cost anything?

SHRI F. A AHMED: As far as I know, we have not paid anything. I will find out from the Rehabilitation Ministry whether something was paid by them. I am not sure about it, but so far as we are concerned, we have not paid anything for that

This is what I would like to say. My position is very difficult at the present moment. . .

SHRI JYOTIRMOY BOSU: I can well understand that.

SHRI F. A. AHMED: . . . for the simple reason that I am going through the facts and it will be very unfair for me to supply place certain facts or my views before the House without that matter being examined by a judicial body or by some other body which can go into the matter very carefully. Therefore, what I would suggest is that whatever allegations have come before me, whether it is against the Chairman or against the officers or against the employees, they will be looked into, they will be examined very carefully and after the report is available, I shall place it before this House for you to decide.

SOME HON. MEMBERS *rose*—

SHRI S. M BANERJEE. May I make a submission?

MR. DEPUTY-SPEAKER: One by one. Shri Sethi.

SHRI ARJUN SETHI (Bhadrak): I want to know from the hon. Minister—as my hon. friend, Shri Mohapatra also pointed out—on what basis and what principle the ex-Assistant Manager of the, F.C.I. Bhadrak branch, in the district of Balasore, Orissa, has been reappointed after 25 days of his retirement from service?

SHRI S B GIRI: The recognition of the majority union, the Government of India Food Corporation Employees Association, has been suspended. Will the recognition be immediately restored as they have the majority?

SHRI S. M BANERJEE: Apart from the cases of corruption etc., the employees' organisation has put forwarded certain basic demands These demands have not yet been conceded. Is the hon. Minister applying his mind to the various demands put forward by the employees?

My second question is to you, Sir. As the House is adjourning today and we shall not be here, let Government announce its own business for the next week at least.

श्री बी० पी० मौर्य : उपाध्यक्ष महोदय, फूड कारपोरेशन एक आटोनोमस बाडी है लेकिन उसमें जो भी खराबियां होती है उस के लिये मंत्री महोदय कहां तक जिम्मेदार होंगे इस पर भी इस सदन में भविष्य के लिये निश्चय हो जाना चाहिये । जिस मंत्री के अन्तर्गत वह आता है की कितनी जिम्मेदारी है यह निश्चय हो जाना चाहिये ।

SHRI P. M. MEHTA: The Government of Gujarat wanted to give pulses at a fair prices to the fair

[Shri P. M. Mehta]

price shops. But what happened was that the sale price quoted by the Corporation was much higher than the prices prevaling in the open market. How has this happened?

SHRI R. S. PANDEY: There is nothing against the Food Corporation as such.

I do agree with the Minister that the very concept of having a corporation is very good to meet the supplies. But the idea is that it should function well. The House is very much agitated at the manner in which the complaints came. An enquiry has been instituted. Who are those people who are involved, has got to be completely enquired into, and they should be punished. It is not a matter of the Chairman or other officials or of those people who have complained. I suggest that there should be a high-power commission appointed to thoroughly enquire into everything, go through it threadbare and its report must be submitted to the House in order that justice may be done to everyone.

SHRI S. M. BANERJEE: I support the demand that the hon. Member has raised.

SEVERAL HON. MEMBERS *rose*—

MR. DEPUTY-SPEAKER: Please sit down. Today being the last day, I am going to give some time to everyone. I will allow everybody. Now, Shri Jharkhande Rai.

श्री झारखंड राय : सी०बी०आई०की जांच में केवल चार विषय दिए गए हैं। जितने आरोपपत्र में प्वाइंट दिए गए हैं या उठाए गए हैं, उन सब को जांच के लिए क्यों नहीं दिया गया है ?

SHRI BHAGWAT JHA AZAD: Mr. Deputy-Speaker, Sir, it is very nice of the hon. Minister to say that he would accept the opinion because the enquiry is going to be there. But I would like to know how it will affect the course of the enquiry, because, one of the Ministers has very categorically expressed his opinion in regard to one gentleman who is very high up in the Food Corporation. Would the hon. Minister assure us that the categorical expression of opinion of one of the Ministers in favour of one and impliedly against the other would not vitiate the enquiry? (*Interruption*).

SHRI SAMAR GUHA: Sir, he referred to that gentleman being referred to by the Minister. It should be expunged.

MR. DEPUTY-SPEAKER: No, no. There are certain rules for expunction. Mr. Bosu.

SHRI JYOTIRMOY BOSU: I would like to put one simple question. This whole thing has been going on for the last several years, particularly a year and a half; a vast establishment of the CBI is sitting here; a huge body of over Rs. 100 crores. It is watching us, intelligence and all that. Tell us, did you have any prior information about the misdeeds.

SHRI PILOO MODY: I am constrained to say that the Government has decided in its unwisdom to put a blanket over this whole affair. I am not at all satisfied. This debate was scheduled for the last Saturday. Since then it was postponed to this Monday, and they have had plenty of time to come forward with some positive action that they were going to take in respect of all this that has been going on for months on end.

Today, after all this debate, he comes up and says, "We are looking into everything. It is a 200-page report. It has not been seen, and we will examine it." I do not think it is satisfactory at all.

Therefore, I have come to the conclusion that the Government does not want to do anything about it, and it is giving an excuse for doing this sort of thing. I am not surprised. And the House could have been adjourned last Saturday itself. (*Interruptions*).

MR. DEPUTY-SPEAKER: Order, please. You may be surprised; you may not be surprised. It does not matter.

श्री जगन्नाथ राव जोशी : खाली गनी बैग्ज़ की कीमत वसूल न करके जो पच्चीस करोड़ का घाटा अभी तक हुआ है और उसके बारे में उन्होंने आप से इजाज़त मांगी है, तो मैं जानना चाहता हूं कि इस विषय में पहले व्यवस्था क्या थी ?

SHRI SHYAMNANDAN MISHRA: The net impression that one gets after this debate is that although some serious charges and allegations have been made, the Government is not in a position to reply to those allegations and charges at the moment. It is not as if these charges and allegations have been flung at the Government all too suddenly. They have been there for a long time. Why has the Government not chosen to reply? Definite charges have been made, and why is it that the Government took cover under a blanket reply that "they are considering the whole matter?" How are you going to be satisfied? With this Government which has been shielding corrupt people, how are you going to be satisfied that it is going to result in any justice? (*Interruptions*). Let him answer.

SHRI SAMAR GUHA: The hon. Minister, in the concluding part of his speech, has given an indication that after going through the preliminary report that he has got, the matter will be enquired into. I want to know what type of enquiry would it be: a high-power enquiry, or a judicial enquiry or some departmental enquiry. What type of enquiry would it be?

श्री साधू राम : जिस वक्त रिफ्यूजी भाई आए थे और कारपोरेशन को कैबिनेट की तरफ से डायरेक्टिव दिया गया था तो क्या यह सही है कि यह कहा गया था कि अनाज को अधिक कीमत में खरीदे या जल्दी इस काम को करे ? (*Interruptions*).

MR. DEPUTY-SPEAKER: Do you want to say anything in reply?

SHRI F. A. AHMED: No.

AN HON. MEMBER: He has already replied.

MR. DEPUTY-SPEAKER: He does not have anything to say in reply . . . (*Interruptions*). Order, please. He does not have anything to reply.

I have been listening to you all. Would you kindly listen to me, five or six sentences? We have come to the end of the session. I think we have had a good session. We have had some storms. I am an optimist. I believe in the future of India and I think these storms are reflected of the vigour of Indian democracy. But we have also been able to control those storms. That shows the maturity and strength of Indian democracy.

May I thank all the hon. Members for the very good contribution they have made and I bid them good-bye. God speed and *au revoir*. The House stands adjourned *sine die*.

18.42 hrs.

The Lok Sabha then adjourned sine die.

L/87LSS—1010—13-11-72—GIPS